



Third Party Evaluation of Chief Minister's Programme for Poverty Alleviation (BKPAP)



A Public-Private Partnership of
Government of Khyber
Pakhtunkhwa and Sarhad
Rural Support Program
(SRSP)



(Final Report, September 2013)



**Evaluation Conducted By:
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LIST OF ACRONYMS

ACS	Assistant Chief Secretary
ADP	Annual Development Plan
AEWs	Agriculture Extension Workers
ANP	Awami National Party
AusAiD	The Australian Agency for International Development
BHUs	Basic Health Units
BKPAP	Bacha Khan Poverty Alleviation Programme
BISP	Benazir Income Support Program
BoK	Bank of Khyber
CBO	Community Based Organization
CBFI	Community-Based Financial Intermediaries
CCEW	Community Credit Extension Workers
CDS	Comprehensive Development Strategy
CEWs	Credit Extension Workers
CIDA	Canadian International Development Agency
CIF	Community Investment Fund
CLTS	Community Led Total Sanitation
CMST	Community Management Skills Training
CPI	Community Physical Infrastructure
CRPs	Community Resource Persons
CSO	Civil Society Organization
DCO	District Coordination Officer
DFID	Department For International Development
DIC	District Implementation Committees
DPM	District Program Manager
DWSS	Drinking Water Supply Schemes
EDOs	Executive District Officers
ER	Environmental Review
EU	European Union
GoKPK	Government of Khyber Pakhtunkhwa
GoP	Government of Pakistan
GIZ	Gesellschaft für Internationale Zusammenarbeit
HHs	Households
HWTSS	Household Water Treatment and Safe Storage
IGGs	Income Generating Grants
KFW	Kreditanstalt für Wiederaufbau
KPI	Key Performance Indicators
KPK	Khyber Pakhtunkhwa
LEWs	Livestock Extension Workers
LMST	Leader & Management Skill Trainings
LSO	Local Support Organization
M&E	Monitoring and Evaluation
MCOs	Men's Community Organization
MGF	Micro Grant Fund
MHI	Micro Health Insurance
MPAs	Members of the Provincial Assembly
MRF	Micro Revolving Fund

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NRM	Natural Resource Management
O&M	Operation & Maintenance
OB	Office Bearer
ODF	Open Defecation Free
P&DD	Planning & Development Department
PCR	Project Completion Report
PCNA	Post Conflict Needs Assessment
PI	Physical Infrastructure
PPAF	Pakistan Poverty Alleviation Fund
PPHI	People's Primary Healthcare Initiative
PPP	Public Private Partnership
PRSP	Poverty Reduction Strategy Paper
PSC	Programme Steering Committees
PSC	Provincial Steering Committee
PSC	Poverty Score Card
PSU	Programme Support Unit
RFS	Rural Financial Services
RHCs	Regional Health Centers
RSPs	Rural Support Programmes
SDU	Special Development Unit
SOU	Social Organization Unit
SPDC	Social Policy and Development Center
SRSO	Sindh Rural Support Organization
SRSP	Sarhad Rural Support Programme
TOP	Terms of Partnership
TT	Technical Training
TTCs	Technical Training Centers
UCs	Union Councils
UNHCR	United Nations High Commission for Refugees
VO	Village Organization
WB	World Bank
WCOs	Women's Community Organizations
WHO	World Health Organization

Executive Summary

The Government of KPK and SRSP commissioned an independent evaluation to review the performance of Bacha Khan Poverty Alleviation program. This report summarizes the evaluation findings with a particular focus on relevance, efficiency, effective, immediate impacts and sustainability. The evaluation also responds to SRSP's internal demand for institutional accountability and continuing improvements. The following sections provide further details on the program background and the key findings.

Bacha Khan Poverty Alleviation Programme (BKPAP) is a multi-sectoral initiative that follows on the footsteps of other poverty reduction projects in KPK. It aims to alleviate rural poverty through reviving livelihoods, improving human and productive assets and developing government's capacity for pro-poor development with a particular focus on the most vulnerable including women.

Unprecedented in its financing and partnership modalities, the programme is probably the first of its kind where large public resources from within the Annual Development Program of KPK were assigned to a civil society organization (CSO) for a scale program. Building on the experiences from the 90s and the past decade the public sector response to grass root developments has witnessed a significant transition.

The transition from a donor driven community led programs of the 90s; to a government financed bottom up development model is a refreshing change and also bodes well for the future of KPK. Quite clearly public sector confidence in CSO capacities and credibility has grown over the years. The GoKPK support for a sizeable "poverty reduction program" through the SRSP is not only a recognition of this potential but also an indicator of the growing focus on "alternative development windows" as a viable policy choice.

A collaborative of the Government of Khyber Pakhtunkhwa and Sarhad Rural Support Programme, the BKPAP has a financial outlay of PKR 1 billion. Under the terms of partnership SRSP received a longer-term endowment of PKR 500 million whose proceeds were expected to support project implementation and the future backstopping of selected program activities beyond the project life. The programme was envisaged to directly or indirectly benefit upto 1.206million populations in the selected four districts (Battagram, Mardan, Karak and Upper Dir) of KPK. A total of 40 Union Councils were targeted including 6 UCs each in Battagram and Karak, 8 UCs in upper Dir and 20 UCs in district Mardan. The program was initially designed for a two year period starting in January 2009 with the closure date of December 2010¹. However a delayed start up, slower release of funds and some other issues led to an extension of program activities till December 2012, nearly doubling the original timeframe for implementation. The bulk of the program outputs were achieved by December 2012 while SRSP support for selected sub-components continued till June 2013.

The overall management of the programme was the responsibility of Programme Support Unit (PSU) of SRSP supported by the CEO and the core management of SRSP. The office of the Director General SDU supported by the Project Support Unit (SDU) comprising the Poverty Alleviation Team leader and Programme Officers representing P&DD ensured management backstopping on behalf of Go-KPK. The

¹ Approved PC-1 Implementation Schedule (Section 12, Page 57/99)

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Government of KPK notified two committees to monitor, supervise and guide the programme i.e. District Implementation Committees (DIC) and a Programme Steering Committees (PSC). The DICs, in the target districts, was headed by DCO with representation from all relevant departments, while the Steering Committee was headed by the Additional Chief Secretary with representation from all major departments relevant to the programme. The Government of KPK also identified and placed professionals at SDU Poverty Alleviation Unit to support implementation of the programme activities.

The programme has three major components; Social Mobilization, Livelihood Strengthening & Social Protection. The various interventions under each component include the following:

Table 1

Social Mobilization	<ul style="list-style-type: none">• Formation of Men/Women Community based Organizations (CBOs), Village Organizations (VOs) & Local Support Organizations (LSOs);• Capacity Building of men and women community members;• Development of Community Resource Persons;• Networking and Linkages
Livelihood Strengthening	<ul style="list-style-type: none">• Community Physical Infrastructure Schemes;• Natural Resource Management<ul style="list-style-type: none">✓ Trainings in Poultry, livestock, agriculture extension✓ Support to farmers – demo plots, seed distribution etc.✓ Vaccination and De-worming campaigns etc.• Rural Financial Services; micro credit & community investment funds
Social Protection	<ul style="list-style-type: none">• Micro Insurance• Technical and Vocational Employable skills• Improving delivery of Social Sector Services

1.0 Evaluation objectives and the overall approach

The evaluation aimed to assess the immediate impacts, relevance, efficiency, effectiveness and sustainability of the programme interventions. The evaluation team was required to validate achievements against targets of the annual work-plan and highlight unexpected results (positive or negative) as well as missed opportunities. The report has presented the key findings and lessons along with strategic recommendations for SRSP-BKPAP and the Government of Khyber Pakhtunkhwa. These are summarized in the following sections and aim to further improve the poverty targeting, program strategy, investment packages, implementation mechanism and the management efficiency of prospective programs and projects in future. The evaluation also responds to SRSP's internal demand for institutional accountability and continuing improvements.

The evaluation approach, survey sample and the various tools were thoroughly discussed with the SRSP and the GoKPK counterparts. Agreements were documented at the inception stage and provided the basis for all field activities. The following sections provide further details.

2.0 Report structure

The short version of the Evaluation Report, covering both the cross-cutting dimensions and the key findings and recommendations for each BKPAP component, are captured in the **Executive summary**.

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While a more detailed review is covered as **Component Evaluation Reports** covering; i) Social Mobilization ii) Livelihood strengthening and iii) Social protection.

The evaluation team is grateful to the entire SRSP team and the SDU management for facilitating this study. Our special gratitude to the provincial facilitator, the district representatives, senior government officials and the numerous men and women in the target villages without whose support and feedback this study would not have been possible.

3.0 Key Findings and Recommendations

3.1 Program Outputs

Based on the final progress reports shared with the evaluation team (December 2012), BKPAP has met or exceeded virtually all of the agreed outputs identified by the project document. As a matter of fact, several targets were significantly overshoot which is a reflection of a very high community demand for selected services, in particular Micro Health Insurance.

Targeting poor men, women and children, the program managed to directly or indirectly reach out to nearly a million people spread over 40 Union councils in the 4 districts of KPK. In the process 4,740 MCOs/WCOs were formed and strengthened; over 10,000 people were trained in community and leadership skills; nearly 16,000 women benefitted from micro grants and revolving fund schemes while nearly 200,000 men, women and children received unprecedented access to a desperately needed Micro Health Insurance program. The latter was a four-fold increase over the PC-1 targets. Within the NRM sector several thousand men and women benefitted from agriculture, livestock and poultry inputs, demonstrations on new technologies and training programs.

Another 6,000 men and women received vocational skills training in multiple trades and nearly 1,000 small Community Physical Infrastructure (CPI) schemes were built to respond to the high priority needs of MCOs and WCOs. As useful entry points to rally the entire village, the CPIs ranged from water and sanitation, irrigation and roads to micro-hydel schemes.

The program has also built a sizeable cadre of community based resources who are expected to facilitate the role of the MCOs/WCOs, VOs and the LSOs in times to come. Among these include the BKPAP front line resources such as the Community Resource Persons (CRPs), the Credit Extension Works (CEWs), and the Agriculture and Livestock extension workers (i.e. the AEWs and LEWs).

The secondary data shows that BKPAP was able to achieve or exceed all targets outlined in the PC-1. Based on the sample review, the team was able to validate most of the outputs listed below. The following table captures the program achievements.

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Table 2

Activity	Unit	PC1Targets	Achieved as per SRSP final report
No of CO/VO/LSO to be formed	CO/WO	3600	4783
Community management skill training (CMST)	Person	7200	7872
Manger Conferences	Event	160	181
Leader & Management skill trainings (LMST)	Person	3600	4029
Community Resource Persons	Person	400	617
Poverty Score Card	Union Council	40	40
Meeting (Program Meeting with community)	Meeting	480	478
Staff Capacity building	Person	320	428
Micro credit	Person	5200	5371
CIF revolving fund	Person	7920	11155
CIF management training	Person	3600	2937
Community credit extension workers	Person	240	263
NRM research & demonstration	Demo Plot	1840	1832
AEW	Person	1200	1285
LSEW	Person	1200	1303
PEW	Person	3600	3292
Productive Income training (NRM)		800	921
Distribution of improved seeds, fertilizer	Person	8080	6676
Vaccination & de-worming campaign	Cattle head	60000	72,454
Community build CPI schemes	Number of CPIs	800	973
MHP/rural approach road		28	25
Micro health insurance	Person	54800	196250
Technical vocational/employable skill training	Person	4800	6657
CLTS trainings	Person	3200	2818

3.2 Poverty Targeting

3.2.1 District and UC selection

The selected districts reasonably capture the agro-ecological and the cultural diversity of north, south and central KPK. Based on the 1998 census, Mardan is the largest in terms of population at 1.46 million and exceeds the combined population of the remaining three districts i.e. Karak (0.430 million); Upper Dir(0.575 million); Battagram (0.307 million)². A clear rationale for the selection of the BKPAP districts could not be tapped from the available data, however field discussions suggest that this was largely a political decision of the former KPK government. It appears that a discretionary selection was

² District Population data is based on 1998 census.

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made from across the administrative divisions of KPK (i.e. Malakand, Hazara, Bannu and Peshawar divisions).

Meanwhile a recent Social Policy and Development Center (SPDC) study carried out in 2012 has ranked all KPK districts on the basis of diverse socio-economic development indicators. Aggregating the indicators from i) Education ii) Health iii) Housing quality iv) Housing services, and v) Economic deprivation, three distinct categories of districts has been defined. Among these the districts of Upper Dir and Karak fall in the most deprived category; Battagram is placed in the group of districts with “medium deprivation” while Mardan is placed in the group of districts that show a “low state of deprivation”. On the other hand the sample data generated from the “Poverty score card” shows Mardan has a higher percentage of households falling in the two lowest “poverty brackets” compared with Upper Dir and Battagram.

Quite clearly multiple and non-matching socio-economic indicators underpin the respective analysis. However this could be a useful topic for future research. Meanwhile a cross section of the key informants highlighted that the selection of Mardan was politically motivated and perhaps not the best of choices for a poverty reduction program. Nearly 50 % of the BKPAP funding was allocated to Mardan which has raised further concerns from various quarters. However this criticism is perhaps too strong and ignores the need to also test the poverty program in districts with a varying size and mix of populations, infrastructure and socio-economic dynamics. In contrast with Upper Dir, Battagram and Karak, Mardan has a much larger population, a significantly larger urban character, better infrastructure, influential leadership, larger access to local and nearby markets and yet contains sizeable chunks of poverty spread across its rural and urban areas. Thus a reasonable argument can be made for a “Poverty Reduction Pilot” to test the community dynamics and draw conclusions in relation to other districts that are predominantly rural and also relatively less endowed.

In terms of the Union Councils (UCs) no reliable data is currently available on the spatial distribution of poverty, access to services or other infrastructure within each district. None of the ex-DCOs interviewed during the course of the evaluation could recall how the final list of UCs was drawn. Indeed some expressed disappointment that their recommendations for UC selection were not followed.

Field discussions suggest that the local ministers/MPAs played a key role in the selection of all UCs with no significant inputs from the SRSP or the SDU. Of the 40 program UCs, a total of 20 UCs were targeted in Mardan, 6 each in Karak and Battagram and 8 UCs were targeted in Upper Dir. As opposed to a clustering approach which may have reduced costs and facilitated management, a fairly scattered set of UCs were selected in each district. The attached Annex 1 shows the district maps and the targeted UCs. Discussions with some of the former DCOs indicate that while the UC selection was generally good, some changes would have helped target the most deprived UCs in each district.

3.2.2 Poverty targeting at the household levels

Building on a previous pilot and the large Benazir Income Support Program (BISP), the BKPAP adapted the “Poverty Score Card (PSC)” as a household targeting tool with considerable success. The tool essentially aggregates a poverty score through several proxy indicators. These include the house hold

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size, educational attainments, number of rooms, type of toilet used, as well as information regarding various household assets such as means of transport, livestock, land and appliances. Based on a statistical program the proxy indicators eventually yields a “Poverty Score” for each household that are further categorized to describe the degree of deprivation or “household poverty”.

An unprecedented “Poverty Score Card” Survey was carried out between December 2009-January 2010 covering a total of 139, 871 households (HHs) yielding an average size of 8.3 persons per HH. Based on this survey “poor” and “non-poor” HHs were identified. Households scoring above 23 were placed in “non-poor” brackets while those below this threshold were further categorized into 3 broad bands. Households with a poverty score in the range of 0-11 were categorized as extremely poor/destitute; the next group in the poverty score range of 12-18 were identified as “chronically poor” while HHs with a poverty score of 19-23 were declared as “transitory poor”. The BKPAP interventions were designed to broadly respond to the three brackets with some overlaps that are covered in the following sections. This categorization was used by the program managers to target specified interventions to individuals/groups falling in selected poverty brackets.

The tool has reportedly worked well in most cases however in some areas skewed results were reported by the SRSP staff as well as the survey team. In some cases, the questions relating to Educational attainment and some other categories appear to generate a higher or lower “poverty score” than actually the case. As a result some “inclusion” as well as “exclusion errors” have been reported. The field reviews a larger percentage of such errors occurred in Karak followed by Mardan, Battagram and Upper Dir. Possible mitigation measures for this could include further revisions to the design of poverty score card, and possibly, a village level participatory validation of the selected households to rule out such issues in future. Despite some issues with the PSC score card, an overwhelming 80-90 % of the survey respondents and community groups reported that BKPAP has correctly targeted the beneficiaries in virtually all components and sub-components. This is quite heartening in the midst of a patronage based culture and development practices -- particularly in the public sectors, where the fringe elements are typically sidelined, or forgotten at the expense of the few and the privileged.

The use of the PSC criteria has also helped the BKPAP to better argue and defend the overall approach and its “poverty focus”. Importantly, the district and senior managers successfully used this approach to off-set political pressures for beneficiary inclusion and gradually worked to build awareness and a “buy in” for a poverty targeted program in the political and bureaucratic circles of the targeted districts. In selected districts, particularly Mardan, the task was reportedly daunting; however, the program withstood considerable pressures to still reach out to a large number of deserving households.

The component reviews validate a predominantly positive feedback on the accuracy of the targeted households for virtually all BKPAP interventions. Further details on the “beneficiary perceptions” are summarized in the component reports.

3.3.3 Poverty Scores “Before and After”

A great deal of factors clearly impact on the “poverty score”. The team was not able to undertake a detailed review of the sampled households to include or exclude attributable change; however, a rapid re-assessment of the “poverty score card” was completed for 121 beneficiary households. Following a

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detailed interview with the heads of the households, poverty scores were re-calculated and compared with the scores assigned to those households at the program outset.

The following graphs show the “before” and “after” distribution of the poverty scores and highlight a fairly positive picture emerging. The pre-project survey shows a large percentage of the poor households (85%) are tightly clustered in the first two bands, i.e. 1-10 and 11-20, with only a small percentage in the successive categories. The resurvey shows that the percentage of households in the first two poverty brackets has dropped to less than 40%. The district dis-aggregated data also shows a significant out-migration of 50% or more households previously falling in the poverty score of 11-20. Post BKPAP, only 45% in Mardan and 40% in Battagram fell in the two lowest categories. In Karak the first two categories deflated from 93% to 33% and in Upper Dir we observed a drop from 84% to 41%. In Karak and Upper Dir 20-25 % the households have moved to poverty scores of over 50, lifting them well above the poverty line set for the BKPAP.

Figure 1: Battagram

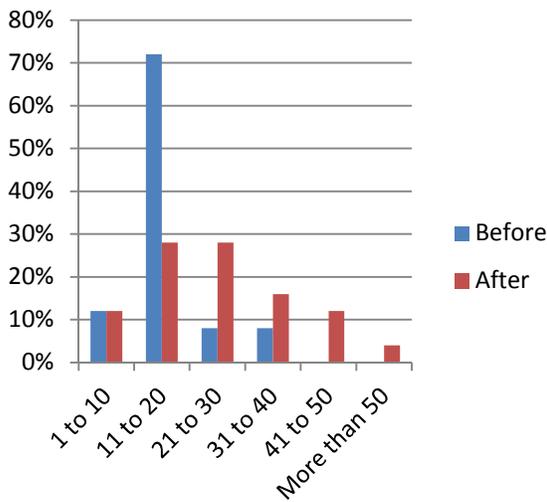


Figure 2: Karak

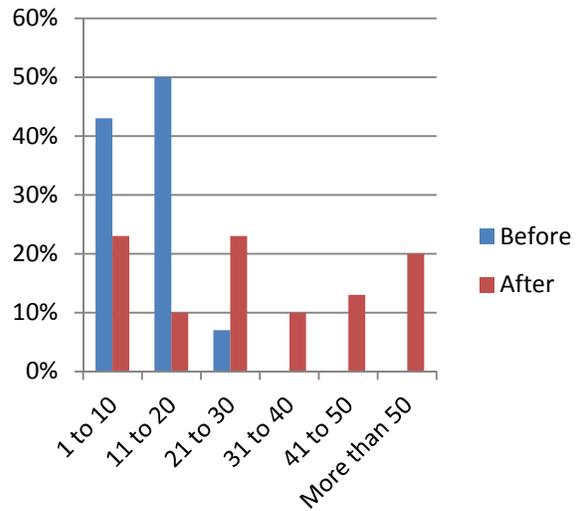


Figure 3: Mardan

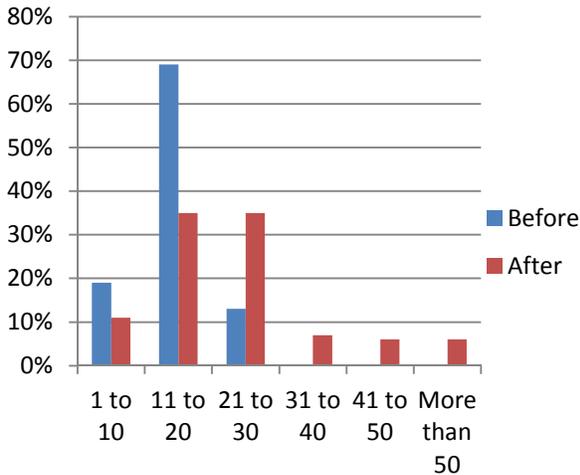
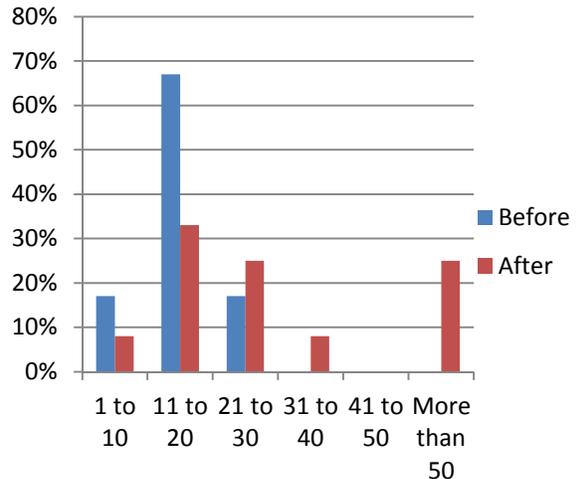


Figure 4: Upper Dir



3.3 Public Private Partnership

The project began with an unusually high level of support from the highest levels of the government. The “Terms of Partnership (TOP)” that allowed for the routing of the GoKPK annual development funding (of up to PKR 1.0 billion) and a PKR 500 million endowment for SRSP was unprecedented. Recognizing the innovative nature of this partnership the program provided for a fairly elaborate policy, coordination and oversight structure at the provincial and district tiers to ensure effective interface and smooth implementation.

Headed by the ACS, a Provincial Steering Committee (PSC) was expected to ensure the needed provincial interface, policy guidance, oversight as well as high level approval for annual work plans and budgets. The senior SRSP management was also represented at this forum. At the district tiers, the DCOs headed the BKPAP district implementation and oversight committees while relevant EDOs and SRSP district staff provided the needed support for implementation.

Day to day operations within each district were managed by the designated project units operating under SRSP’s control. On behalf of the GoKPK, the Special Development Unit (SDU) was the lead coordinator and back stopper responsible for project oversight and implementation in accordance with the approved PC-1. Project operations were managed with the help of jointly approved annual work plans and budgets while a modest M&E system largely relied on SRSP’s support and initiative at the field levels.

Within the policy and decision making tiers, the Chief Minister KPK ensured the necessary leadership during the formative phase and also extended support during project implementation. Several key managers in the KPK government also reportedly played a significant role in the conceptual discussions leading up to the preparation and approval of the PC-1 document. The Chief Minister, KPK reportedly continued to protect the program and remained as one of the biggest supporters. However a change of personalities, particularly at the senior tiers of the GoKPK, a variety of political compulsions and the rapidly evolving security dynamics appear to have impacted the “public sector” support and commitment to the program. The program also reportedly faced some opposition to the single sourcing of SRSP within the KPK parliament. This eventually subsided but did consume precious time and energies.

Although public sector support continued throughout the program life, evidence shows that the program was largely steered and managed by the SRSP. The relatively modest public sector support was disproportionate to its size and the potential that could have been brought to bear on the partnership and the program outcomes. Discussions with the senior SRSP management suggest that the relative freedom in field implementation was in fact an important determinant in BKPAP’s success. Perhaps this is a valid argument. However a more pro-active public sector support, and SRSP’s operational control in the districts were not mutually exclusive. The opportunities for significantly greater support to the BKPAP existed at the provincial headquarters as well as at the district tiers. However these were not used to the program’s advantage.

At a policy level, the “BKPAP-PPP model” was expected to combine the strengths of GoKPK and the SRSP to enhance development outcomes that were otherwise not achievable through individual action. By June 2013, the program did manage to achieve nearly all of the targeted outputs, however this achievement was largely owed to SRSP’s tenacity and active pursuit of the PC-1 targets. As a lead partner, the public sector players generally fell short of ensuring meaningful support for policy and

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planning, leadership and intellectual energy, timely provision of financial resources, and expanded access to the potentially useful public sector infrastructure (staff and material resources) within the provincial and district tiers. Despite the various challenges, the SRSP and GoKPK management still managed to obtain principle agreements to further expand the program to other KPK districts with new investments from the ANP government. A PC-1 to this effect was reportedly processed and nearly approved at the highest levels, however due to some political compulsions and the approaching elections the matter was placed on the back burner.

Meanwhile program level meetings between the GoKPK and SRSP continued with regular frequency at the provincial and district tiers. The relationship remained cordial, however the various minutes of the Provincial Steering Committee and the district level meetings with the DCOs, EDOs and other staff, suggest relatively weak engagements between the two parties. With some exceptions, the discourse appeared to lack depth, energy and mutual interest, perhaps as a consequence of the large workloads and the lack of incentives that some the district players highlighted during the course of the program evaluation. Annual work plans were typically prepared by the SRSP team, shared with the provincial and district managers and often approved with little change or debate. The ACS and the Secretary planning provided occasional support, however the involvement of most others at the province and the district tiers remained modest or negligible. The ex-DCO from Mardan though generally appreciative of the program was fairly candid in his admission. Pointing to the multi-billion district portfolio and the Chief Ministers' weekly visits, the DCO noted that "there was little else that the administration could do". Other than a few meetings and ribbon cutting events, he or his EDOs had no time for any meaningful contribution to the program. Responses from other districts also highlight a fairly modest engagement of the public sector, while in some districts SRSP also appeared to show a preference for lesser rather than greater involvement for the public sector players in the affairs of BKPAP. It was felt that this would ensure greater efficiencies which was probably a fair assumption considering the bulk of the public sector was largely unaware of the "community led processes" and what this entailed. However, an over-arching objective was to also expose the district players to a new development model which they can hopefully emulate and roll out through other projects and programs. On this front, the assessment shows a generally weak appreciation of the DCO's and EDOs which is largely owed to the marginal participation in program activities.

Conceptually a Public Private Partnership (PPP) should ensure a win-win for all parties. Within the context of BKPAP, both parties brought strengths and weaknesses to the table that needed to be acknowledged and jointly worked to maximize development outcomes, particularly for the poor. The review highlights the need for new SOPs that ensures a more intensive consultation, particularly at the district tiers where opportunities for collective action could have been jointly screened, proactively planned and collectively ensured.

Past experience with development coordination and public sector oversight suggest that senior government officials, in particular the DCOs and EDOs are far too committed to on-going development programs. Special projects and programs though generally welcomed further add to the existing portfolios without the necessary wherewithal to ensure meaningful support. Future programs may wish to consider deputation or appointment of dedicated staff with the appropriate mandate to represent the governments' interest, and bring the needed energy while retaining the ability to draw on all available resources at the district and lower levels. Alongside regular district based workshops, pro-active participation in "Annual Development Plan" preparation/reviews, new protocols for field reviews and

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other targeted measures may help with improved networking, joint planning and identification of new avenues for collaboration.

The review also shows that annual funding from the GoKPK was typically delayed thus forcing BKPAP into a tight spot. Frequent delays in funding invariably restricted the annual implementation cycle to barely 6 months or less. As a result many of the component activities were adversely impacted as field processes had to be scaled back and annual completion targets ensured in much tighter timelines. There is little evidence to show that the BKPAP Steering committee or the finance department treated the funding flows for BKPAP any differently than a typical annual development plan project. In contrast large and unprecedented annual funding was expeditiously processed for “special development programs” on the directions of the “provincial government -- often when BKPAP was desperately waiting for a far modest funding from the same source.

Meanwhile the GoKPK endowment not only helped sustain SRSP operations during the course of program implementation, but also facilitated the leveraging of significant new funding from a large number of donors including the AusAID, EU, KFW, GIZ, CIDA, DFID, UNHCR as well as the PPAF. Records provided by the SRSP show that a staggering 11 billion PKR worth of projects and programs were initiated over the past 4 years. Thus the GoKPK endowment not only contributed to a significantly greater outreach of the organization but has also led to enhanced confidence in the donor community that has now started to view SRSP as a large and credible partner on many fronts. The scope and size of the organizational portfolio, the geographic outreach and the diversity of its partners is a testimony to the growing capacities of an entirely new SRSP.

Several technical line agencies of the provincial government were engaged in the BKPAP process. Among these the Agriculture and Livestock departments stand out as two exceptions that have played a useful role during implementation, particularly in the provision of inputs and training activities for poor farmers. Thus available capacities of the districts were mobilized with modest recurring budgets ensured through the BKPAP window. In the process the line agencies were able to reach out to a large number of farmers who are typically not able to tap any government services. Many of the Agriculture and Live Stock representatives noted that they neither have the budgets nor the outreach to the small farmers which was facilitated through the MCOs/WCOs and the SRSP extension agents, undoubtedly an excellent PPP outcome.

Among the missed opportunities, the program was not able to effectively engage with other public sector players servicing the skill development sector, health care, municipal services, public health engineering as well as the local irrigation establishment for needed complementarities. Arguably short on capacities and relevant experience in the design and delivery of short training programs, the program could have facilitated this to not only enhance access to a larger body of “poor trainees” but also build the capacity of TTCs and other district based players for effective services in future. Likewise selected “Basic Health Units” and “RHCs” could have been strengthened with SRSP support to enhance the health care access to deserving households registered under the MHI program. The SRSP is already managing a health sector program through its PPHI initiative which could have been linked. In both sectors, the BKPAP singularly relied on the private sector facilities which should be revisited in the next phase.

Other logical complementarities relate with the large federally funded Benazir Income support program and its graduation programs (i.e. the Waseela-Sehat, Waseela-Haq and Waseela-Rozgar initiatives) that

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operate nationally, including the target districts. The evaluation team could not see any linkages although quite a few of the BKPAP recipients reported active on-going activities under BISP. On the social protection fronts, it would be also sensible to engage with the Zakat and Bait-ul-Maal establishment, particularly in relation to the planning and design of appropriate interventions for the most vulnerable. Similarly, the district department for “Social Welfare and Community Development” was also conspicuous by its virtual absence. Again, a variety of capacity issues mar the working of this agency, however this is a self-defeating argument. Much like the TTCs and the BHUs this too can be engaged and the capacities built for useful and sustained services for the poor.

Another institutional concern that has also impacted the PPP is the program’s “institutional anchorage” in the provincial government. Over the past two decades the SDU has served as provincial facilitator and the institutional home for numerous donor funded projects, which is also the reason why BKPAP was placed within the SDU. However, the SDU appears to have gradually lost much of its earlier clout, technical capacities as well as budgetary support. Many of the projects and human resources have now shifted to core sections of the Planning and Development (P&D) Department, which has now acquired a more significant role at the expense of the SDU.

With diminishing clout of the SDU, the BKPAP also appears to have lost its voice in the corridors of power thus reducing the leverage and its potential contributions to the BKPAP. Discussions with the SDU management show that the agency is now very concerned about the state of affairs and struggling to regain its footing. It is currently faced with serious shortages of staff and budgets to effectively backstop larger projects. Meanwhile the provincial government also failed to activate another viable oversight mechanism through its “provincial M&E directorate”.

The direct engagement of the KPK “Planning and Development Department” with a large range of “projects” should be an area of concern for the Provincial policy and decision makers. An intensive engagement with “projects” and its “implementation” takes precious time away from the “critical planning functions” and is an apparent “conflict of interest” for many of the P&D sections that are routinely called upon to manage multiple “Project Management Units” for the GoKPK and donor funded projects.

This understanding and several special needs served as the core rationale for the creation of the SDU which had a broad mandate to “plan” “coordinate” and “manage” special purpose projects while maintaining the distance and some degree of freedom from the mainstream “Planning & Development” Department. “Over the years, this mandate was vastly tempered, if not entirely reversed. Once serving as the hub of “poppy reduction programs”, Special Area Development, poverty reduction, emergency and refugee assistance and a host of other special initiatives, the organization is now practically without work. Much of this mandate has been taken over by the mainstream “planning and development department” which is faced with serious capacity worries on the “planning fronts” but also continues to assume additional “implementation roles” through an ever expanding “projects portfolio”.

Given KPK’s unique challenges and the unfolding reform agenda, both the P&D department as well as the SDU will need a new vision and strategy for the way forward. Subject to further discussions and a policy decision, a rapid tapering of the “implementation functions” away from the P&D department is strongly recommended. Alongside a closer review of the SDU mandate, institutional structure, human resources and a new nexus with the “planning and development department” would provide the basis for

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a new “SDU” that is not only fully empowered but also capacitated to effectively respond to the needs of future projects and programs.

The lapsable nature of GoKPK funding presented yet another challenge for a “community led process oriented program”. This often forced the pace of program spending which was not necessarily in sync with the program component schedules and a source of inefficiency. A policy decision of the GoKPK finance department could address this anomaly to facilitate other upcoming programs. This practice is already in vogue for many donor funded projects however, its extension to “public sector budgets” is currently restricted.

The rapid turn-over of senior government staff was also identified as another factor that has impacted the program momentum. Building partnerships takes time and effort, more so at the district tiers where exposure to “community led work and innovative development approaches” was generally low. With each change, the district managers had to restart the orientation and partnership building from scratch thus wasting considerable time and energy. Future programs could clearly benefit from a GoKPK policy decision on tenures for “public sector counterparts” which are considered critical for project management.

As a final point the partnership also appear to have suffered from the politicization linked to the program name and the various apprehensions expressed at the village levels. As a result the project managers had to put in extra effort to allay wide ranging concerns. This took precious time and effort away from the critically needed program tasks. Future programs should ensure a neutral program nomenclature to enhance buy in and avoid potential opposition from political interest groups.

On the M&E fronts, field evidence points to a fairly basic input-output level monitoring. The lowest tier of the BKPAP field unit is known as the Social Organization Unit (SOU). Each district has more than one SOU with the larger districts showing 3 or more SOUs. Headed by the senior social organizers the SOUs generate field data on a set of pre-agreed indicators that feed into the M&E officer located in the office of the District Program Manager (DPM) which is the apex SRSP/program office in each district. The M&E officer typically revalidated 10% of the data before assembling the consolidated monthly progress reports covering all SOUs for the district. On certification by the DPMs the monthly reports were aggregated at the PSU where a designated officer would compile and disseminate these to the SDU/GoKPK. In addition the SRSP field units also generated case studies on a regular basis that covered interesting success stories on various aspects of the program. The GoKPK counterparts including the district based DCO/EDOs had a limited or negligible role in the M&E process. Likewise at the provincial levels, the SDU and the provincial steering committee also had no direct role in the program monitoring. However, intermittent visits were reportedly ensured by a highly skeletal SDU staff. The team could not access any of the SDU monitoring reports.

4.0 Social Mobilization

The social mobilization component covered the following interventions:

- Poverty Score card: Poverty Score Card of 138,558 HHs carried out in selected 40 UCs of four districts

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- Formation of MCOs/WCOs: A total of 4,170 men and women community based organizations have been formed with a total membership of 91,292 in all four target districts .
- Capacity building: Capacity of 9,433 community members was enhanced in managerial skills
- Identification of CRPs: 474 community members were identified and selected as Community Resource Persons

Arguably the heart of this program, this component focuses on identification of the most vulnerable households through a systematic capture of proxy data at the household levels (i.e. the score card approach) which is now widely recognized as a useful targeting tool. The program has heavily invested in the formation and strengthening of male and female community organizations (MCOs/WCOs) that are expected to serve as drivers of change, and have facilitate the implementation of all program interventions.

The evaluation therefore focused on assessment of the poverty targeting process and its outcomes through sample reviews; assessment of the sample MCOs/WCOs (both male/female) in terms of its representation, composition, activities, governance systems, financial and management capacities, linkages and participation in BKPAP. The review has also assessed the selection process for CRPs, their activities and contributions to BKPAP. A smaller sample of the higher order Local Support Organizations (LSOs) were also assessed. These are cluster level organizations that are in theory is created after at least 50 % of the poor households in a given Union Council are organized. As part of SRSP's approach every Union Council with the target district will eventually have at least one LSO that will take on the next generation tasks such as establishing linkages with local governments, NGOs, the private sector, public sector, mobilize resources and community and village based organizations.

Overall, a majority of respondents reported that the social mobilization component and its outcomes were highly relevant for poverty reduction. Nearly 86% of the respondents regard themselves as active members of their respective MCOs/WCOs while remaining 14% were largely unaware. Most MCOs/WCOs were also able to correctly identify their roles; however a surprisingly large 39% of the respondents had no knowledge of the PSC's purpose and how it served as a targeting tool.

On questions regarding participation in "needs assessment and prioritization of schemes", roughly two thirds of the respondents indicated that they had participated in the process. However the situation was worrisome in Karak and Mardan where 50 % and 48 % indicated a lack of participation in the identification and prioritization processes.

In terms of activity levels and commitments, nearly 60 % of the MCO/WCO members indicated that the MCOs/WCOs general body met on a monthly basis while 37% stated that they met on a need basis. The monthly meetings generally reduced after the BKPAP field activities were closed. As a useful indicator of sustainability, the survey shows that some of the COs have also initiated non-BKPAP projects since their establishment, especially in Upper Dir (26 % respondents), Karak (11 % respondents), Mardan (9% of the respondents) which shows the maturity levels of the COs to network and carry on with other development work in the local community. Maturity and confidence levels appear to be the highest in Battagram and upper Dir where 50 -60 % of the respondents felt that the MCO/WCO is mature enough to independently work for the communities. In contrast nearly 70 % of the respondents in Mardan and 60% in Karak responded in the negative and highlighted the need for additional support from the Government and SRSP to carry on developmental activities in the community.

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On aggregate about 18% of the respondents indicated that they have established linkages with local Tehsil and District line agencies, particularly for pursuing NRM activities. Another 20% of the respondent indicated that they had established linkages with previously elected local representatives, whereas 40% of the respondents indicated that their COs had clustered to form VCOs/LSOs. However, in most cases, the cluster group needed more time for maturity as the BKPAP activities were wrapping up and the day to day institutional support was no longer available. With some exceptions, sustained capacity building assistance will be needed in the short to medium term for many of the cluster groups.

A very large majority (90%) of the sampled MCO/WCO representatives noted that the program worked well to alleviate poverty; 89% of the respondent saw a positive change in the employment/self-employment in their respective areas; and 70% of the respondents reported improved agriculture and livestock practices in the area as well as improved health and hygiene at household level since BKPAP's introduction. The formation of the local MCOs/WCOs has also helped in communities in other non-tangible ways. Nearly 82% of the respondent noted enhanced social cohesion and cooperation at mohallah/village level with further downstream benefits.

Looking ahead sustainability remains the biggest challenge and one that SRSP and the GOKPK will need to address. BKPAP was able to initiate some highly innovative programs. Among them the CIF/revolving funds and the MHI initiative have the greatest impact on poverty, however they are unprecedented and still in their infancy.

The SRSP endowment fund came in handy to permit additional backstopping over the past year and more. However it would be prudent to closely watch and also further support some of the more critical interventions for some time to come. As the program came to an end, the VOs and LSOs will be called upon to take up this challenge. However, many if not most of these organizations, will need additional time and institutional capacities before they are in a position to pick up from where the BKPAP left off.

There are currently over 60 LSOs across the KPK. Among these relatively few are active and reportedly tapping sizeable projects. The LSO in Madhai Baba, Mardan and a few others are some of the more dynamic LSOs but clearly an exception to the norm. As a result the SRSP is actively assessing several proposals to help build the capacities of LSOs through a dedicated program. In parallel some of the donors including the GIZ and EC are also engaging with selected LSOs to promote some programs in the education as well as other sectors. This bodes well for both parties. For the new donors this reduces the cost of service delivery while for the LSOs this presents another opportunity to network and further build its own capacities and credibility.

5.0 Livelihood Strengthening

The Livelihoods strengthening component aimed to improve the livelihoods of poor and vulnerable especially the women in targeted districts through Community Investment Fund, micro credit, participatory infrastructure schemes and improvement in Natural Resource Management. The following sub-components were covered:

- Rural Financial Services (RFS) which provided micro financial services to the community through group lending methodology at an affordable price, enabling the clients to enhance their

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income generating capacity. This was complimented by the Community Investment Revolving Funds (CIF) to cover the initial fixed cost of the fresh micro enterprises for business incubation.

- Natural Resource Management (NRM) included demonstration plots, agriculture, livestock, poultry extension, worker trainings, vaccination and de-worming campaigns.
- The Community Physical Infrastructure (CPI) sub-component targeted community managed micro physical infrastructure projects. Under this sub-component several hundred schemes were completed. These included water supply and sanitation schemes, road projects and irrigation as well as micro-hydel units.

This component aimed to create the core means for poverty alleviation through improved access (of the poor segments) to small loans for a variety of home and non-home based micro enterprises (i.e. livestock, poultry, small shops, village services etc.); access to new agriculture technology; and new asset creation at the village levels (small water supply, irrigation and other schemes) which further supplements the focus on poor and helps capitalize on the new opportunities created.

6.0 Rural Financial Services

The BKPAP target group, is largely un-serviced by any bank or financial institution. Access to credit, particularly at the grass roots is very challenging in an environment that is hostile towards conventional banking and where community members are not introduced to the systems or discipline of credit institutions. Very few institutions are willing to lend to the poor because of large associated risks and delivery costs. KPK is also a highly conservative society. With a religiously inclined population, particularly in the rural areas, the uptake for interest based loans is very small, since usury is strongly banned in Islam.

The product designed by SRSP is unique and one that caters for religious sentiments as well as easily accessible to the poorest community members. It is also based on mutual and shared responsibility for repayment. SRSP has creatively transformed the Community Based Financial Intermediary model to make the communities fully take charge of their development. As part of this approach, Community Credit Extension Workers (CCEW) were appointed at the community level, thus drastically reducing the transaction costs for providing loans. This approach has helped enhance ownership as well as access to rural financial services by utilizing the services of Community-Based Financial Intermediaries (CBFI). The score card approach also facilitated in improved targeting of the poor.

The Community Investment Fund (CIF) was introduced to respond to a large challenge. The intervention includes grants and loans that are primarily governed by the Village Organization. Beneficiaries of the CIF are mainly the households that have never been trusted with loans by any financial institutions in the past because of their extreme poverty. Households with poverty score of 23 or lower were eligible to receive support under this program.

The Micro Revolving Fund (MRF) is the chief component of CIF, as 80% of the total CIF is kept aside by the Village Organizations for loan purposes. The core focus of these loans is income-generation activities managed by the Community Organization itself. The Micro Grant Fund (MGF/IGGs) consists of the remaining 20% of the CIF. The following summarize the key outputs:

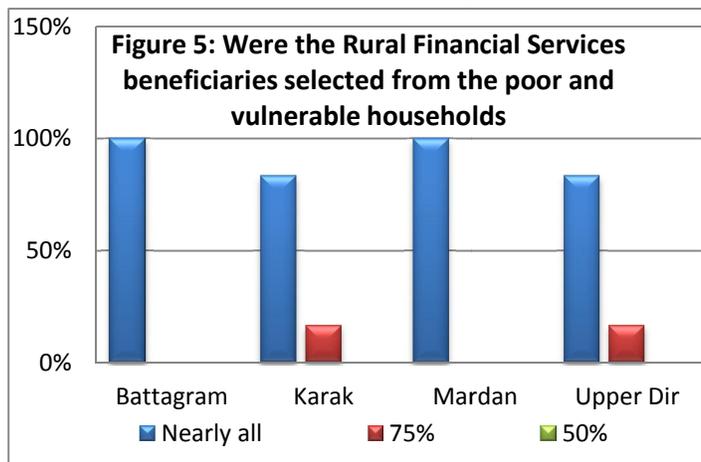
Table 3

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Activity	Unit	PC1Targets	Achieved as per SRSP final report
Micro credit (PSC: 19-23)	Person	5200	5371
CIF revolving fund (PSC: 0-18)	Person	7920	11155
CIF management training	Person	3600	2937
Community credit extension workers trained	Person	240	263

The targeting strategy was successful in accurate identification and targeting of the poorest in the communities. This minimized the possibility of hijack by the more influential members of the community. The sample survey suggests a nearly 100% accurate targeting of the beneficiaries.

Bulk of the loans were for small business and livestock which accounted for 80% of the portfolio however an equally large percentage (81%) of the respondents felt that the loan amounts were too low for any productive purpose. Communities often needed to top up the loan amounts. Field evidence suggests that a buffalo costs more than Rs. 80,000 while many of the loans are for buffaloes.



The population group at the lowest rung (i.e. with a poverty score of 0-11) were entitled to Rs 5,000 as an Income Generating Grant, those slightly better off in the 12-18 range received Rs 10,000 under the Community Investment Fund (CIF) and those with a score of 19-23 received Rs 15,000 as Micro credit. The survey shows that the limits need to be rationalized and ideally based on the purpose of the loan rather than fixed according to the poverty score. The lower limits in fact works against the poor, who actually need a larger assistance to break out of the poverty cycle.

Delay in annual funding from the provincial government, and its impacts on the lending cycle were also highlighted as a significant issue. A smaller sub-set of beneficiaries also raised issues with the time required for loan processing. The current procedures involve clearance from the DCO as well as the SRSP head offices which can be further rationalized.

At a macro level, the loan amounts written off, is not reflected in the data shared by SRSP and loan recovery is shown at 100%. Over time this practice would lead to incorrect data on the health of the micro-credit program with sudden or unexpected depletion of the resources. As a best practice all loan write offs and loan losses should be reported. The review also points to the need for better linkages between Technical and Managerial Training with the income generation loans/grants, which were weak or entirely missing.

The program was very well received and widely seen to be useful. A large percentage of the beneficiaries noted Financial Stability, High Self-esteem, Economic Independence, Better opportunities and greater Self Confidence as some of the immediate impacts. Nearly 57% of the respondents reported a visible improvement in their household income, while another 37% reported a moderate increase in household incomes.

The following outline some of the specific recommendations:

6.1 Clear Terms of Engagement with communities

With 2 different instruments for lending and little apparent difference between CIF and IGG, there was a lack of understanding amongst the communities about how each lending instrument was different to the other. There was also a lack of understanding amongst SRSP staff about these different instruments. It is therefore recommended that the lending mechanisms should be clear and understandable.

To build the understanding at community level, with the establishment of every village organization, a banner is displayed in VO offices highlighting the terms and conditions as well as the product features. This approach is however insufficient to create such awareness at the community level.

6.2 Gender equity

The evaluation team findings noted gender awareness within each component. However a deliberate gender based approach that recognizes the differences in women's and men's realities and experiences and acknowledges that programs may affect them differently or even negatively, was not equally apparent across all the programme components.

Whereas the evaluation team recognizes the gender based approach used by SRSP, it would be pertinent to take a more socially inclusive approach when targeting the client group for RFS. Whereas more focus is required to bring women at par in terms of equity and equality, the program need not exclude men by design. BKPAP chose to take the affirmative action approach, it took cognizance of the fact that there is a feminization of poverty in these areas and because many male heads of the family had either been killed in the insurgency/ fight against terror or had left for seeking employment elsewhere, leaving behind women heading the households. BKPAP focused on women economic empowerment through RFS as a strategy to improve the household wellbeing and move them out of poverty. We therefore propose that though a high concentration by design may be maintained on women, this may be done through allocating a greater share of loans / grants to be utilized by women, but not completely excluding male members of the communities as this could result in a backlash and therefore an advance mitigation of this risk is recommended.

6.3 Linking other programme components

This recommendation cuts across various sectors, since little complementarity was found amongst the various livelihoods enhancing components such as NRM, IGG and Technical Training. Skill enhancement through the TT and NRM components had no direct linkage with the IGG component and vice versa.

6.4 Rationalization of loan products and service charges

Loans provided to the poorest members had a lower ceiling than that of loans for beneficiaries who belonged to a higher income bracket. The basic argument provided was that the poorest had little

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propensity to repay. This is a highly contestable assumption since repayment is linked to business profitability rather than gender or wealth indexation.

Furthermore, processing fee and management fee charged on the loans was also a static band thus meaning that the relative costs paid by the poorest was higher due to the smaller size of the loan. This approach must be rationalized during the next BKPAP phase.

6.5 Introducing loan products that are financially sustainable and acceptable to communities

According to the PC-I SRSP was to introduce socially responsible lending mechanisms through equity based financing or Islamic microfinance. In this case the lending organization shares the risk of the business and is therefore required to be more diligent. Returns from profit sharing or leasing are acceptable to communities and are aimed at maximizing benefits to the borrower rather than profits for the lending institution. However with no return associated to the loans, the ability to reach to a larger number of people through the limited pool of funds would be higher. It is therefore recommended that BKPAP should consider hedging against depletion of limited resources and increasing outreach through the available pool of funds.

6.6 Review terms of engagement with CCEWs

Community Credit Extension Workers is a highly efficient model for reducing transaction costs for the lending organization. However when interviewed, the CCEWs were not aware of how the project would progress after the closure of BKPAP or what their role in the community would be and how they would need to generate revenues to meet their costs of providing services and sustaining themselves. The arrangements with regards to the CCEWs should be made part of the “Terms of Engagement” and withdrawal strategy of SRSP under BKPAP. SRSP reports instances in which communities have charged more than the average of 5% per loan, whereas others have collected donations for the CCEWs. This ad-hoc approach is neither uniform, nor equitable or sustainable.

6.7 Process Vs. target oriented approach

With the government focusing on financial and physical targets, SRSP was constrained to meet the numbers agreed with the government. As a result, a “target orientation” developed, but the processes that support institutional capacities (i.e. for MCOs/WCOs) and sustainability of interventions were negatively impacted. Part of the constraint on behalf of SRSP was also the delays in release of funds mentioned in the next recommendation below.

6.8 Timely release of funds

Release of funds resulted in smooth implementation of activities, since activities had to be slowed down or stopped owing to late release of funds. This had implications on continuity of interventions and thus project quality in terms of community maturity and meeting community needs on time. It is recommended that SRSP be provided an advance funds against half yearly work plans during the next phase of BKPAP or other future engagements with the government.

6.9 Linkages with other institutions

Effective linkages with other NGOs and projects including the Bacha Khan KhpalRozgar and Hunermand schemes, or other institutions such as Pakistan Poverty Alleviation Fund were not explored. This has implications for the sustainability of community organizations. It is recommended that the establishment of linkages be part of the targets assigned to SRSP in the next phase of BKPAP or any other similar programme, which apparently SRSP is in the process of doing.

6.10 Government of KP to rationalize BKPAP, Hunermand and KhpalRozgar schemes

The government of KP had two other complimentary programs running alongside BKPAP, such as Hunermand and KhpalRozgar schemes. There was no provision for complementarity between these three initiatives. It is therefore recommended that the government of KP should take a programmatic approach towards poverty reduction as against a project based approach.

7.0 Natural Resource management

7.1 Poverty targeting

The use of the poverty score card has worked generally well. As a result the bulk of the available investments were targeted at the most vulnerable and contributed to the poverty reduction objectives. The program has also helped raise awareness levels on poverty within the political circles as well as the district bureaucracy. After initial the pressures, most stakeholders appear to have reconciled with the idea of a “community led” and “criteria based development”, which is an achievement in its own right. The selection criteria for districts and Union Councils may also need further discussions. Within districts greater efficiencies and impacts can be achieved through a clustered UC approach. Likewise perhaps greater efficiency and cost effectiveness can be ensured by targeting adjoining or a cluster of closely located districts.

7.2 Productive NRM Trainings delivered & utilized

The Agriculture, Livestock and Poultry Production Trainings were very useful for farmers. This has helped upgrade farmer skills on new technologies and helped enhance the productivity of natural resources for income generation. The trainings also provided an opportunity to district line agency staff to transfer their knowledge to small farmers, which they were unable to follow up due to resource constraints.

7.3 Linkages Developed between Departments & small Farmers

The BKPAP has facilitated linkages between Agriculture/Livestock Departments, private sector and the small farmers who were otherwise neglected and forgotten. This will yield longer term dividends through access to new knowledge, agriculture and Livelihood Strengthening inputs as well as demand for continued services.

7.4 Delivered productive NRM packages & adopted sustainably

Nearly 60-70% of the farmers reported the adoption of the NRM technologies demonstrated by the BKPAP. This shows good success and the prospect of sustained benefits through improved production and livelihoods in the years to come.

7.5 Positive Impact on Agriculture & Livestock Production

Overall, the NRM component has positively impacted on agriculture and livestock production in the program area. It has reduced the losses on farm and post harvest of crops; enhanced 50-60% of crop yields; reduced 60-70% of the losses in livestock and poultry production due to diseases. In addition, the mortality rate of livestock in the area was also reportedly reduced.

7.6 Promoted Crop diversification

The program was able to positively contribute to the crop diversification objectives. Among other crops, the BKPAP introduced improved crops production technologies such as tunnel farming,

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genetically modified Hybrid seed, Olive and Groundnut cultivation. This has promoted the blend of agriculture and horticultural crops with improved technologies that is now able to ensure greater production and relatively larger incomes for the small farmers.

7.7 Opportunities for both male & female community members

The NRM component has provided equitable opportunities for income generation for both male and female community members. This was facilitated with the help of male and female COs who provided an active support for program implementation.

7.8 NRM contributions to Poverty Alleviation

The surveys shows that the program has had a significant impact on agriculture & livestock production practices in the area. This is reflected in new types of crops, greater per acre yields, enhanced milk production, reduced animal disease and new economic opportunities for women. As a result household incomes, consumption and spending patterns are slowly changing. The survey shows enhanced spending on essential food, education and health care with positive impacts, particularly on women and children.

The demo plots and distribution of agri-inputs packages were not properly managed without having any written Terms of Partnerships between the beneficiary and SRSP. There was also no contribution from the beneficiaries in shape of labor or material. Furthermore, there is need to link the beneficiary with some written agreement for any collective contribution at village level, e.g. seed production for village and first female calves for widows in the village, etc. for any agriculture or livestock beneficiaries.

7.9 Program Packages

There is a need to enhance focus on interventions that ensure long-term impacts. These may cover Agriculture, Livestock and Poultry production technology trainings rather than the distribution of free of cost agriculture inputs and demo plots with routine crop production technologies.

Some of the innovative interventions were not thoughtfully delivered such as Quail Farming and Cotton production field trails. There is need to develop all innovative interventions after a thoughtful process regarding their production and post-production requirements.

The Demo plots were giving impression of basic research work trails of any technologies. Instead, the Demo plots activity may be utilized for extension of any approved technology/variety rather than to test any technology for Research & Development purposes.

7.10 Program Locations

The target districts were quite scattered and UCs were selected by the political leadership with no further review. There is need to review this. Further districts may be selected from declared poverty pockets of the Province, and from clusters for showing more impact and reduce the management cost too.

7.11 Program Monitoring

The Provincial and District government had quite limited role during monitoring of program activities. There is a need for more effective role by SDU-P&D and district line agencies during implementation. Similarly, they may also involve the P&D Monitoring Directorate similar to their normal development projects in the province. Furthermore, the agriculture/livestock extension departments at district level may also ensure more effective role during planning and monitoring of program activities for technical guidance and accountability of resources.

7.12 Public Private Partnership in the NRM sector

In general the Public and Private Partnership was not a new experience for District Agriculture & Livestock Departments and the SRSP, as they had already experienced similar modalities during implementation of ADC-Swabi Scarp Project, Barani Area Development Project and some other projects. The objectives of this partnership was to further build on these experiences and ensure a high quality targeted program for the poor.

The engagement with the district agriculture and Livestock department was considered useful and has led to closer linkages between the fringe farmers and the service providers. However, even within the NRM sector, the BKPAP had to subsidize the line agency annual budget to ensure the needed support for reaching out to its target groups. Unsurprisingly, many of the senior district players legitimately question the GoKPK's policy on recurring budgetary allocations that stand out as one of the biggest hurdles in improving service delivery. Ensured through alternative windows such as the BKPAP, the same staff facilitated by SRSP was able to effectively reach out to the furthest corners of each district.

As part of the implementation protocols, SRSP had the overall responsibility for planning and program management while the Government of KPK ensured a broad oversight as well as the financial resources on the basis of approved annual work plans. The annual plans were approved by the Provincial Steering Committee. The District Implementation Committees maintained district level oversight while SRSP retained control of the day to day management and operations. SRSP was singularly responsible for social mobilization which provided the basis for further NRM focused projects with community participation.

The public sector department provided technical inputs during the implementation of BKPAP particularly during the delivery of technical trainings of farmers. Due to this partnership, the small farmers were able to develop linkages with agriculture and livestock Departments at the district level for further technical support. Field evidence shows that some of the farmers are still maintaining linkages with the agriculture and livestock departments and tapping the technical inputs for crops and livestock production.

The partnership has facilitated efficient and cost effective utilization of resources by leveraging the available public sector capacities. For instance, the livestock department provided cost effective deworming and vaccination to the small farmers at a very nominal fee of Rs 5-10. The program clearly facilitated an enhanced outreach for the line agencies through its annual work plans. Recurring budgets for logistics and the modest field expenses are typically unavailable in the public sector thus restricting mobility and the provision of technical services to outlying areas in a district. Many of the district

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representatives acknowledged the BKPAP support on this front and the opportunity to reach out to the vulnerable groups in their district.

All stakeholders considered it a successful experience and it has delivered to small farmers, who benefitted from each other's experiences and capabilities. BKPAP was noted to have bridged the gap between departments and small farmers and has positively contributed to the services and material support for the needy segments of the district population.

The partnership appears to have worked reasonably well because of a clear and robust targeting criteria and an effective district management team at SRSP that was able to check undue political interference from the various political figures and the government bureaucracy. The relative autonomy of SRSP also facilitated a reasonably independent operational policy and fairplay at the field levels. Though NRM sector agencies had a more active role in BKPAP, however on other fronts, the evaluation team noted a generally hands-off approach by the district managers. The public sector role was largely limited to a rapid review of the annual work plans with no significant contributions during implementation or oversight. Perhaps the available district resources could have been better leveraged for greater efficiencies and program effectiveness. Despite the very useful outcomes, a closer engagement during planning, implementation, oversight and release of annual funding would further improve future programs.

7.13 Funding delays

The funds for NRM activities were delayed due to government's time consuming procedural approval mechanisms and centralized systems. This has created constraints in smooth implementation of NRM activities, many of which are seasonal in nature. Many of the crop trials were reportedly skipped due to non-availability of resources at the start of financial year. Programs of this nature heavily rely on dependable funding flows. Delays caused in the process invariably impact on the local communities whose trust and support is not always easy to regain. Quite clearly, the mechanism for funding flows will need closer attention and an arrangement ensured for timely and regular release of committed funding.

7.14 Promote NRM nexus with Climate Change adaptation

Climate Change adaptation concepts and methodologies were not promoted in the program area and there was great need to orient the small farmers about these concepts to proactively manage the looming dangers due to such extreme events like drought and floods in the areas. All the four districts were vulnerable to extreme events like drought and floods and there is need to plan such interventions, which demonstrate the best practices with regards to adaptation of Climate Change challenges e.g. Promotions drought resistant crop and fodder varieties, promotion of water & land conservation practices and fodder preservation etc.

7.15 Overall performance

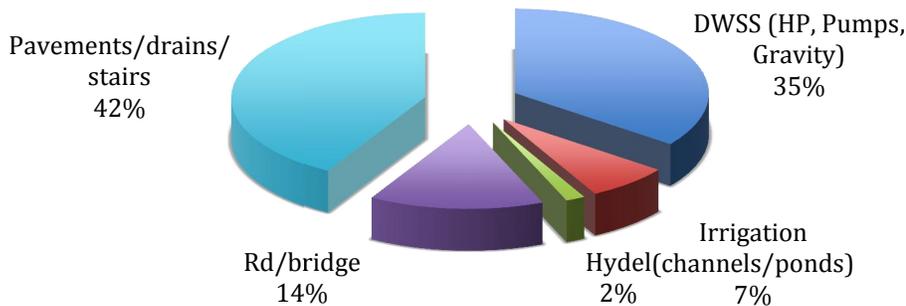
Overall, the performance of the NRM component of program has been ranked as satisfactory. Key reasons for this ranking are that the component has achieved most of its targets with the participation of multiple stakeholders, while using a flexible approach to implementation. The trainings of Extension Workers will have long-term impact on Agriculture, Livestock and Poultry Production in the area. This

component has also introduced new crops for more diverse cropping pattern. It has tested new NRM strategies for livelihoods like Quail Farming, etc. but that needs more thoughtful demonstrations. It is recommended that program may be extended to new areas of KPK with minor modifications based on lessons learnt.

8.0 Community Physical Infrastructure

A total of 996 schemes were financed under BKPAP under the Community Physical Infrastructure (CPI) Component. A majority (42%) of the CPIs were street pavements and drainage related, and were broadly categorized as “Sanitation”. Drinking water supply scheme were 35% of the CPI portfolio, followed by 14% access roads/bridges schemes and 7% as irrigation related schemes. Only 2% of all the CPIs were micro-hydel electricity generation units mostly provided in the districts of Battagram and Upper Dir.

Figure 6: CPIs by Type



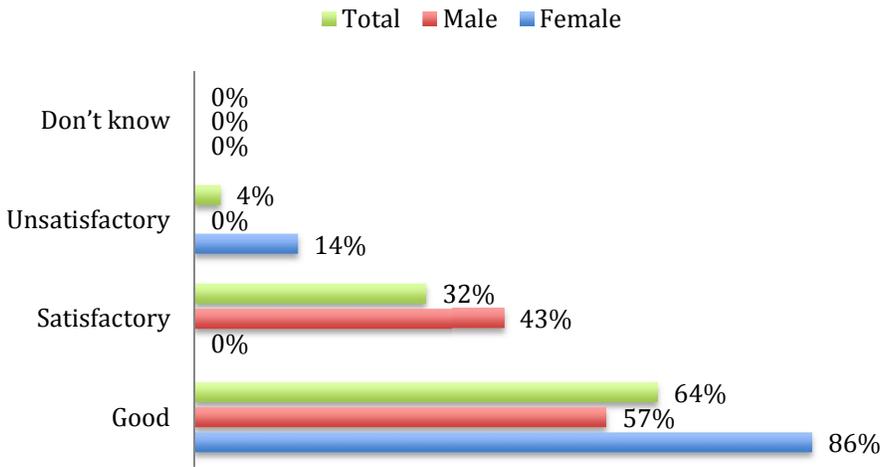
The evaluation teams carried out a physical inspection of all sample sites to assess the state of functionality as well as O&M systems. Based on physical observations, the works and materials appear to be adequate for the nature of work.

A high 87% of the schemes show reasonably good workmanship; 90% of the schemes were found to be fully functional while only one was found to be non-functional due to flash floods that washed a section of the channel.

Effective operations and maintenance system is crucial for ensuring the long-term sustainability of the schemes. The survey noted that 80% of the schemes had fully functional O&M systems, 3% had partially functional O&M systems while 17% of the schemes had no O&M system in place.

When asked if the beneficiaries were satisfied with the performance of the CPIs, a vast majority classified the CPI performance from Satisfactory (32%) to Good (64%). More women were happier with the CPIs than men, indicating a greater degree of relevance of these CPIs to women.

Figure 8: How will you rate the performance of the CPI?



In terms of immediate impacts, the CPI program has helped generate some leisure time for women and reduced workloads for children, as a result of improved access to clean water; has improved health, particularly for children previously suffering from higher incidence of diarrheal diseases; reduced some costs of transport due to improved roads; enhanced the amount of water available for irrigation to help enhance productivity; and has vastly improved the sanitation conditions in village streets. This has ensured a better living environment and will reduce the burden of disease for the entire community.

The following summarize some of the specific recommendations.

8.1 Design Basis and design calculations

The assessment found that the design basis for 13 out of the 30 CPIs surveyed were unavailable or inadequate. Similarly, these schemes also lacked design calculations, and where they were available they were inadequate. Most of these CPIs were related to street pavements. The main inadequacy found was the absence of information on bearing capacities of soil and the Axle loads. In future, therefore the design basis and design calculations for the all proposed CPIs should be provided as part of the technical feasibility.

8.2 Construction Materials Specifications

It was observed that detailed specifications for some construction materials (standard quality of bricks, type of sand, strength of the steel etc.) were not available in the project design documents. Future civil works program should ensure a clear specification for each type of material and the work category, to ensure the required engineering standards can be enforced and also independently verified.

8.3 Water Quality Testing

The provision of safe water, meeting the WHO or national water quality guidelines, require that water should be safe not only at source but also at the point of consumption as well. This requires a multi

barrier approach³ to water safety. It is desirable that the future intervention approach water quality from the multi barrier approach, and this should be reflected in the feasibility and design documents.

8.4 Water Treatment

Availability of water has dramatically improved from generally intermittent supplies to 24 hours access. However, virtually no water treatment is practiced, neither before nor after the CPI, since 92% use no treatment while 5% (only in Mardan) use cloth strainers to filter out only visible impurities (if any) from the water they collect. Since water quality changes during the year with changing seasons and since periodic water quality surveillance and certification services are not available, in Pakistan in general and in rural areas in particular, it is not possible to ensure that the quality of water from a given source will remain acceptable all year round. Field experience and literature suggest that household water treatment and safe storage (HWTSS)⁴ practices are vital to ensure that the consumers consume safe water at all times by taking actions (such as use of strainers, chlorine tablets, boiling, safe withdrawal and storage of water, etc.) at the individual household level.

8.5 Continued Handholding Support to COs

The assessment found that while COs (both MCOs and WCOs) conduct their business generally in consultative manner, however the services they provide vis-à-vis CPIs and related financial information are not routinely shared with the beneficiaries. Besides many WCOs were not sure where and to whom would they go to address major breakdowns in the longer run. These findings and others such lessons from other COmanaged interventions necessitate the need for longer term institutional and technical handholding support to COs. It is only then that the longer term sustainability and continued effective use of the CPI would be possible.

8.6 Sanitation and Hygiene Promotion as Integral Part of DWSS Project

Not much is required to be said about the importance of software aspects of DWSS CPI interventions. Without an equal emphasis on software aspects the desired health impact of the DWSS CPIs remain only partial. Besides pilots after pilots in Pakistan and in the wider region amply demonstrate that approaches such as CLTS are very effective in not only effecting the hygiene and sanitation related behaviour change without the need for hardware subsidy, even for the poorest and most vulnerable in the society, but it also lead to community empowerment and a sense of solidarity in the community, paving way for more effective and sustained interventions. In future, therefore, the process led sanitation and hygiene behaviour change should be adopted and not the hardware-focused subsidy approach which has proven in the past to create a dependency syndrome.

³The multi-barrier approach takes all possible threats (poor quality at source, contamination during transmission, water handling and storage behavior, etc.) to water quality into account and makes sure there are barriers in place to either eliminate them or minimize their impact. It includes selecting the best available source (e.g., lake, river, and aquifer) and protecting it from contamination, using effective water treatment, and preventing water quality deterioration in the distribution system or as a result of poor hygiene and sanitation practices of users.

⁴http://www.who.int/household_water/en/

9.0 Social protection

The social protection component includes the following sub-components.

- Micro health Insurance: 27,400 micro insurance has been provided to the community households to mitigate unforeseen social and health related shocks by ensuring smooth households consumptions, cash flow through insurance guarantee.
- The component also includes technical vocations skills improving delivery of social sector services to enhance basic education and improve health and hygiene. 4,930 community members were provided with the Technical and Vocations Skills trainings.
- Improving delivery of Social Sector Services: 549 schemes of Community Led Total Sanitation were launched.

10.0 Micro Health Insurance

The rising costs of health care and the consequences of poor health in terms of mortality, particularly among women and children is widely viewed as a major contributor to the vicious poverty circle. The micro-health insurance cover provided a huge support and was a God sent opportunity for the thousands of poor families who have very directly benefitted from the program.

The scheme has reduced the burden on poor families who previously resorted to loans or sold off their assets to cope with medical emergencies, especially for women giving birth. The micro insurance has thus facilitated some degree of social protection for the targeted families. On the whole, the program clearly responded to a huge felt need and has performed very well.

10.1 High Expectations and the need for continuity

While the BKPAP came to a close during the last few months of the previous government, large expectations are now raised from the new PTI government, especially in terms of extending the Micro Health Insurance programme. Being a well-designed and implemented programme, it is highly recommended that MHI is extended to ensure continued support to the targeted households.

This will entail further subsidies from the GoKPK and/or the federal government which is also supporting a similar initiative through a parallel Waseela-e-Sehat program under the BISP. In parallel further coordination with the federal government would be helpful to avoid duplication of effort.

10.2 Awareness raising on selection criteria

Almost half of the Community members were not clear about the selection criteria. Greater information sharing and awareness about the programme may be considered an important activity under the next phase.

10.3 Enhanced access to private and public health facilities

Some issues of restricted access were raised in selected districts. This can be addressed through inclusion of additional private as well as some of the better run public sector facilities in the targeted districts. SRSP is already engaged with a health sector initiative (i.e. the PSU) which could be linked with a potentially expanded MHI program to benefit a large number of people. This may also help enhance focus on quality and standards of service delivery in public sector facilities.

11.0 Technical and Vocational Employable skills

Overall this component of BKPAP has achieved commendable results and visibly contributed to enhancing peoples' incomes by generating employment through skills training in districts where these services had not been provided in the past.

11.1 Issues of accessibility and quality

It was found that women in particular were handicapped in receiving formal training due to their lack of mobility and distance of Technical Training Centers (TTCs). Travel costs were also a limiting factor for the poorest households. Therefore, it is recommended that travel costs may be factored in to overcome the issue of accessibility. For those women who are unable to travel to TTCs, appropriate trainings can be arranged at the community level. Furthermore, the beneficiaries were of the view that the quality of the trainers needs to be improved for mobile trainers as well as trainers at the private TTCs for formal courses.

11.2 Making training more responsive to community needs and market analysis

Much of the training especially for women was provided in what could be termed as "the usual beaten path" i.e. detergent making, candle making, sewing and stitching. Similarly, for men it was focused on welding and driving. It appears that the trainings were provided around what was available in the local institutions. However it would help to consider new skills based on the needs of the local and adjoining markets. A more intensive market assessment is recommended to help identify and design appropriate training programs around these needs.

11.3 Better coordination amongst SRSP sections and integration of programme components

It was found that various complimentary components of the project were not very well integrated. This was found to be a weak area that could provide greater value for money if coordinated well. For example the Income Generating Grants component was not complimentary to the technical and vocational training component, whereby trainees could access financial support for self-employment; whereas this was insinuated in the design of the programme, the connections were found to be non-existent to weak. Likewise, training in poultry was provided under the NRM component but not linked to IGG or technical training through the HRD section; with the result that training was not followed up with providing the necessary equipment like incubators, brooders and pens.

11.4 Innovation in skills training, especially for women

As discussed in recommendation 11.2 above, efforts need to be made to improve upon the skill training. An example is the absence of any business development or entrepreneurship training to accompany sewing and stitching, detergent making etc., so that these skills could result in self-employment. On the other hand new areas such as Midwifery Training, Fiber glass molding, Poultry Incubation, confectionary making etc. based on market analysis results could have a greater impact.

11.5 Greater engagement of community members through counselling and information sharing

Development is about providing people choices; in this case to determine their aptitude and interest towards a particular income generating skill. When provided a limited menu beneficiaries have little choice than to choose from that menu provided. This approach also runs the danger of creating a glut in the market. Therefore determining needs and providing information about a wider range of choices and then arranging skills training around those choices for a group of persons would be innovative and in line with the spirit of an innovative project such as BKPAP.

11.6 Explore avenues for public private partnerships

There was no example found of the project working with a government TTC, even though government TTCs have wide outreach; given the low incentives in the public sector there are concerns around appropriateness and quality of training. Government TTCs have better academically qualified trainers as compared to private TTCs, but often lack material for practical training and rely mainly on theory. Through project interventions, especially of projects designed around public-private partnerships, this model of working with the government and enhancing capacity as part of the process is therefore recommended for piloting in the next phase, in light of the essence provided in the PC-I.

12.0 Community Led Total Sanitation

The Project PC-1 envisaged to adopt the Community Led Total Sanitation (CLTS)⁵ approach to changing sanitation and hygiene behavior of the beneficiaries communities. The approach has proven very effective in triggering behavior change amongst rural communities in large number of countries since early 2000 where the rural sanitation coverage had remained low. In Pakistan too, the approach was piloted and then scaled up in the District of Mardan, a BKPAP district, by a local NGO with good results. The approach is primarily a process oriented approach relying mainly on high quality of behavior change facilitation which primarily builds upon the PRA tools and techniques and aims at changing vulnerable behaviors (e.g. open defecation, not washing hands at critical times, etc.) by triggering collective behavior change.

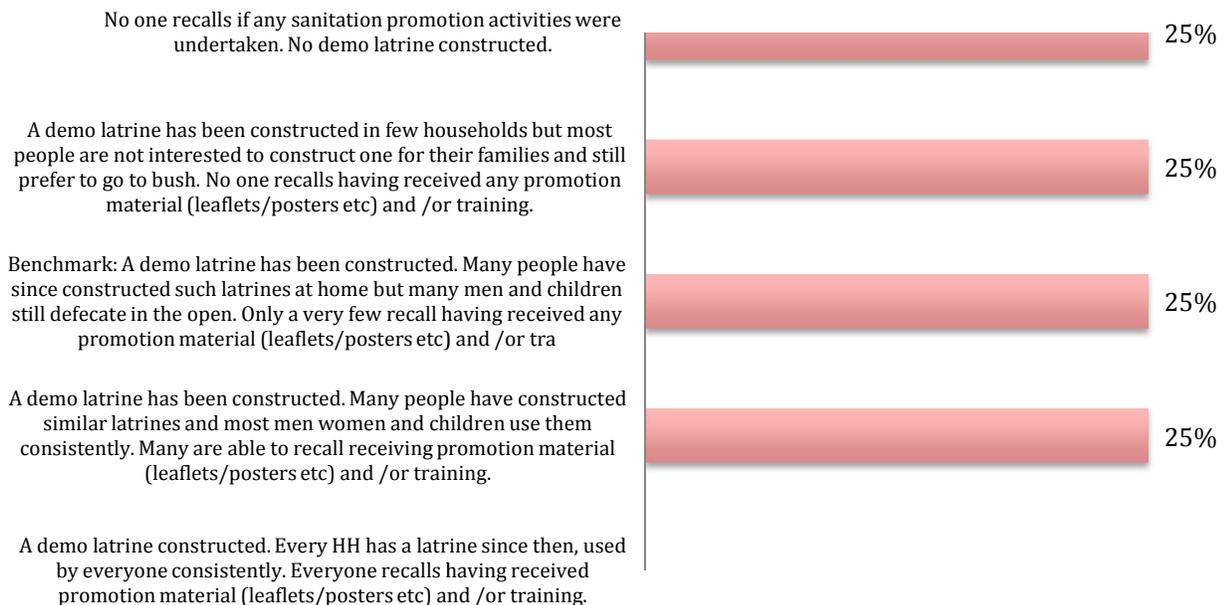
⁵At the heart of CLTS approach is a shift away from the provision of subsidy-led toilets for individual households and emphasizing not merely behavior change by individuals in general but of an entire collective, to achieve 'open defecation-free' villages. The objective is to reduce incidence of diseases related to poor sanitation and manage the public risks—posed by the failure to safely confine the excreta of some individuals—at the community level. This has been most effectively undertaken by empowered communities motivated to take collective action, with the government and other agencies performing at best a facilitating role. Subsidies if any provided by the government and external agencies are 'communal' to award collective action.
http://www.wsp.org/filez/pubs/425200715131_CLTS_April07.pdf

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The evaluation found that the PC-1 proposed CLTS approach was abandoned during the course of implementation by the project managers. While no clear reason was cited it appears that paucity of time required to undertake a behavior change process, heavier workload on the staff and limited staff capacities to implement CLTS approach were key reason behind this decision. Instead it was decided to adopt demo latrine approach. Under this approach a number of poorest and most vulnerable were identified in each community in a participatory manner and those were then provided with some cash and in kind subsidy (bag of cement, pan, pipes and concrete rings etc.) amounting to around Rs. 15000. The Cos/WCOs were provided with some booklets on hygiene and sanitation and the Community Resource Persons (CRPs: paid community volunteers) were assigned the responsibility of conducting hygiene sessions in the community.

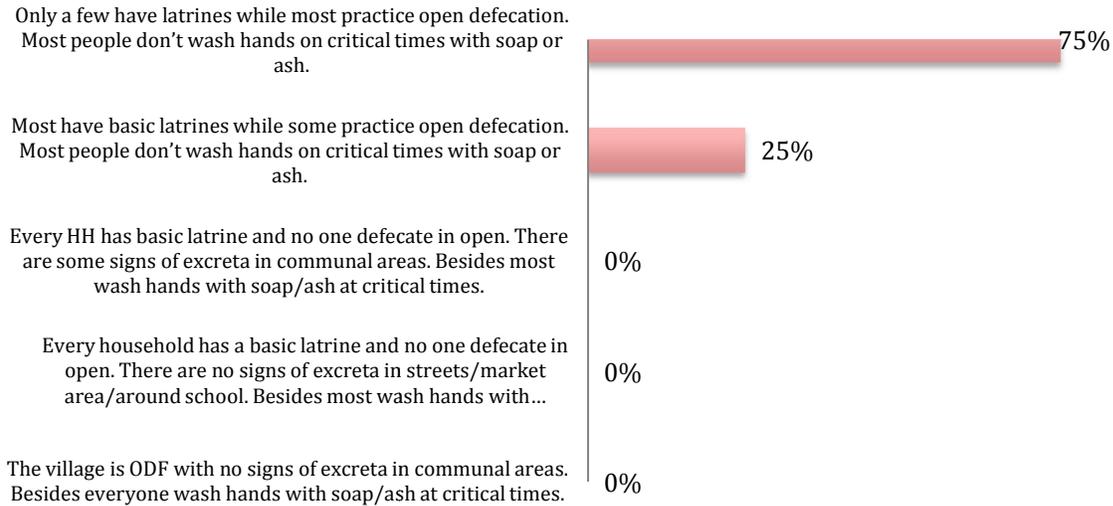
With this background the evaluation team conducted household interviews, on site latrines inspection and FGDs. The assessment found that these latrines were generally installed in the beneficiaries' households. However in many cases the latrine materials were found stored and yet to be installed. During community meetings majority knew about the demo latrines and its demonstration affect was established as well. 50 % of the respondents also confirmed that others have also constructed their latrines after seeing the demo latrines.

Figure 9: Tell us about the sanitation promotion activities undertaken by BKPAP /SRSP in the village?



However none of the surveyed communities were found to be Open Defecation Free (ODF) which is the prime objective of any CLTS intervention. The importance of complete eradication of open defecation lies in the fact that even if 99% of the households construct a latrine the community could still not accrue health benefits due to perpetuation of the feco-oral transmission of diseases by 1% of the open defecating households. 75% of the respondents said that while some people do have latrines most practice open defecation and only 25 % said that most have latrines but some still practice open defecation and had washing with soap/ash at critical times is not practiced widely.

Figure 10: Is your Community Open Defecation Free (ODF)?



When asked why those who practice open defecation do not construct a latrine 60 % cited inability to construct a latrine like a demo latrine while 20% said that it's a taboo for men to defecate at home. In both cases the underlying issue is that of knowledge and behavior. Also the provision of demo latrines often does the opposite: it demonstrate to the poorest that if they want to put an end to feco-oral transmission of diseases it will cost them Rs. 15,000 which is equivalent to many months of their income. On the other hand literature and field experience suggest that a basic latrine fulfilling the basic purpose of a latrine could be constructed at almost no cost.

The Component Evaluation Reports

1.0 The Poverty Reduction Context

Pakistan's Poverty Reduction Strategy Paper (PRSP) is widely accepted as the strategic road map for future growth⁶. Key features of this strategy called for ensuring macro-economic stability, protection of the poor through targeted programs; introduction of social safety nets and the promotion of Public-Private Partnerships to harness the full potential of all players in the economy. Building on the early successes of PRSP-I, Pakistan's GDP growth rates touched nearly 7% per annum (2003-2007), and the country was positioned as one of the fastest growing Asian economies. However, many of the gains were quickly eroded as poor governance and a variety of national and international crisis unfolded to arrest national growth. A growing fiscal and trade deficit, unprecedented rise in the international prices of oil, food and essential commodities coupled with a major instability in the international markets led to a fast and painful decline of the local economy.

People at the lowest rung of the economic ladder were the worst hit as inflation and unemployment touched new heights while a vicious and unprecedented terror campaign became the order of the day. Within KPK, a large number of people not only lost their jobs and businesses but also their homes, family networks and their near and dear ones as Taliban led terror spread to large parts of KPK forcing mass migrations towards safer havens. Although some stability has returned to areas worst hit by the conflict, the writ of the government remains weak or nominal in large parts of the province. The situation is compounded by a serious energy crisis which together with the security environment continues to negatively impact on the local economy. A large Afghan refugee population competing for jobs and services and the continuing instability on the Pak-Afghan border is also widely viewed as a source of instability that may further aggravate the currently fragile economy, governance and the security environment.

Sensing the deterioration of the security environment, a continuing migration of the relatively well-off people from rural to urban areas of KPK and further out to Islamabad, Lahore and beyond is now well documented. With the movement of intelligentsia, entrepreneurs and the relatively better off segments of the population to safer havens, the challenge of reviving the local economy gets harder with each passing day. Needless to underline that peoples' faith in the state's ability to rescue their lives and livelihoods, is currently at its lowest ebb.

Khyber Pakhtunkhwa (KP) has a population of about 26.6million with a growth rate of 2.8 percent. The province has the highest incidence of poverty in Pakistan. It was estimated as close to 29% in 2005-06, which is 7 percentage points higher than the national average. Poverty is even higher in rural areas, while measured across the gender divide poverty is higher among women. The GoKPK's own estimates of poverty for 2009/10 as reported in the



⁶ Over the past 13 years Pakistan has devised at least three poverty reduction strategies for steering economic policy with a central goal of alleviating poverty. The first Poverty Reduction Strategy paper (prepared by the IMF/WB) was launched in 1999; the 2nd paper known as PRSP-1 was developed by the GOP in consultations with a large body of stakeholders in 2001. This was followed by the PRSP II in 2009/10.

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Comprehensive Development Strategy (CDS) are even higher at 39 percent.

Despite the challenges facing KP, the province has had some success in promoting economic development. Over the past two decades a variety of poverty reduction programmes were initiated. Among these were the ADB funded the Malakand Rural Development Project and the Barani Area Development Projects (BADP) 1&2; WB funded Community Infrastructure projects (Phase 1 & 2); several skill development projects; a large national social protection program BISP and several others. Many of these projects successfully built on the community based approaches that are now widely viewed as credible policy choices for targeting the poor.

Between 1998/99 and 2001/02, the level of poverty in KP did not worsen significantly, particularly at a time when national poverty level was fast growing. The relative success of KP in protecting itself from declining poverty was largely owed to the increased production of some agricultural crops and a marked increase in remittances. However the large natural and man-made disasters again eroded much of the gains, particularly in the past 7-8 years. The earthquake of 2005, the unprecedented floods of 2010 and a huge on-going conflict in various parts of KPK has had a devastating effect, particularly on women and children. The situation was further compounded by the spiraling inflation which was widely believed to be in the double digits up until the 2011/12 period. The biggest culprit is essential food inflation which continues to further push millions of people into the vicious poverty trap.

1.1 The Bacha Khan Poverty Alleviation Programme

With important differences, Bacha Khan Poverty Alleviation Programme (BKPAP) is a multi-sectoral initiative that follows on the footsteps of other poverty reduction projects in KPK. It aims to alleviate rural poverty through reviving livelihoods, improving human and productive assets and increasing the government's capacity for pro-poor development with a particular focus on the most vulnerable including women.

Unprecedented in its financing and partnership modalities, the programme is probably the first of its kind where large public resources from within the Annual Development Program of KPK were assigned to a Civil Society Organization (CSO) for a scale program. Over the past two decades community driven projects and programs were typically supported by major donors including the Asian Development Bank, the World Bank and the UN system. Successive provincial governments though generally supportive of alternative development models and the CSOs, continued to follow a rather cautious approach in extending support. This was reflected in its modest in-kind contributions to such programs while donors subsidized bulk of the investments, including support for the CSOs who were invariably deployed as a front line support for all community led programs.



Building on the experiences from the 90s and the past decade the public sector development paradigm has witnessed a significant transition. From the top-down government led development approaches of the 70s and 80s to donor assisted CSO and community led programs of the 90s and the early 2000 period, to a public sector led bottom-up development models in partnership with autonomous civil society players is a hugely refreshing change and bodes well for the future of KPK. Quite clearly, public

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sector confidence in CSO capacities and credibility has grown over the years. The GoKPK approval for the implementation of a sizeable poverty reduction program through the SRSP is not only a recognition of this potential but also an indicator of the growing focus on alternative development windows as a viable policy choice.

A collaborative of the Government of Khyber Pakhtunkhwa and Sarhad Rural Support Programme, the BKPAP has a financial outlay of PKR 1 billion. Under the terms of partnership SRSP received a longer-term endowment of PKR 500 million whose proceeds were expected to support project implementation and the future backstopping of selected program activities beyond the project life. The programme was envisaged to directly or indirectly benefit up-to 1.206million populations in the selected four districts (Battagram, Mardan, Karak and Upper Dir) of KPK. A total of 40 Union Councils were targeted including 6 UCs each in Battagram and Karak, 8 UCs in Upper Dir and 20 UCs in district Mardan.

Program implementation started in 2009 and was envisaged to be completed by June 2011. However due to various factors, the programme was twice extended. Bulk of the program outputs were achieved by December 2012, while SRSP support for selected sub-components continued till June 2013.

The overall management of the programme was the responsibility of Programme Support Unit (PSU) of SRSP supported by the CEO and the core management of SRSP. The office of the Director General SDU supported by the Project Support Unit (SDU) comprising the Poverty Alleviation Team Leader and Programme Officers representing P&DD ensured management backstopping on behalf of Go-KPK. The Government of KPK notified two committees to monitor, supervise and guide the programme i.e. District Implementation Committees (DIC) and a Programme Steering Committees (PSC). The DICs, in the target districts, was headed by DCO with representation from all relevant departments, while the Steering Committee was headed by the Additional Chief Secretary with representation from all major departments relevant to the programme. The Government of KPK also identified and placed professionals at SDU Poverty Alleviation Unit to support implementation of the programme activities. The programme has three major components; Social Mobilization, Livelihood Strengthening & Social Protection. The various interventions under each component include the following:

Table 4

Social Mobilization	<ul style="list-style-type: none"> • Formation of Men/Women Community based Organizations (CBOs), Village organizations (VOs) & Local Support Organizations (LSOs); • Capacity Building of men and women community members; • Development of Community Resource Persons; • Networking and Linkages
Livelihood Strengthening	<ul style="list-style-type: none"> • Community Physical Infrastructure Schemes; • Natural Resource Management <ul style="list-style-type: none"> ✓ Trainings in Poultry, livestock, agriculture extension ✓ Support to farmers – demo plots, seed distribution etc. ✓ Vaccination and De-worming campaigns etc. • Rural Financial Services; micro credit & community investment funds
Social Protection	<ul style="list-style-type: none"> • Micro Insurance • Technical and Vocational Employable skills • Improving delivery of Social Sector Services

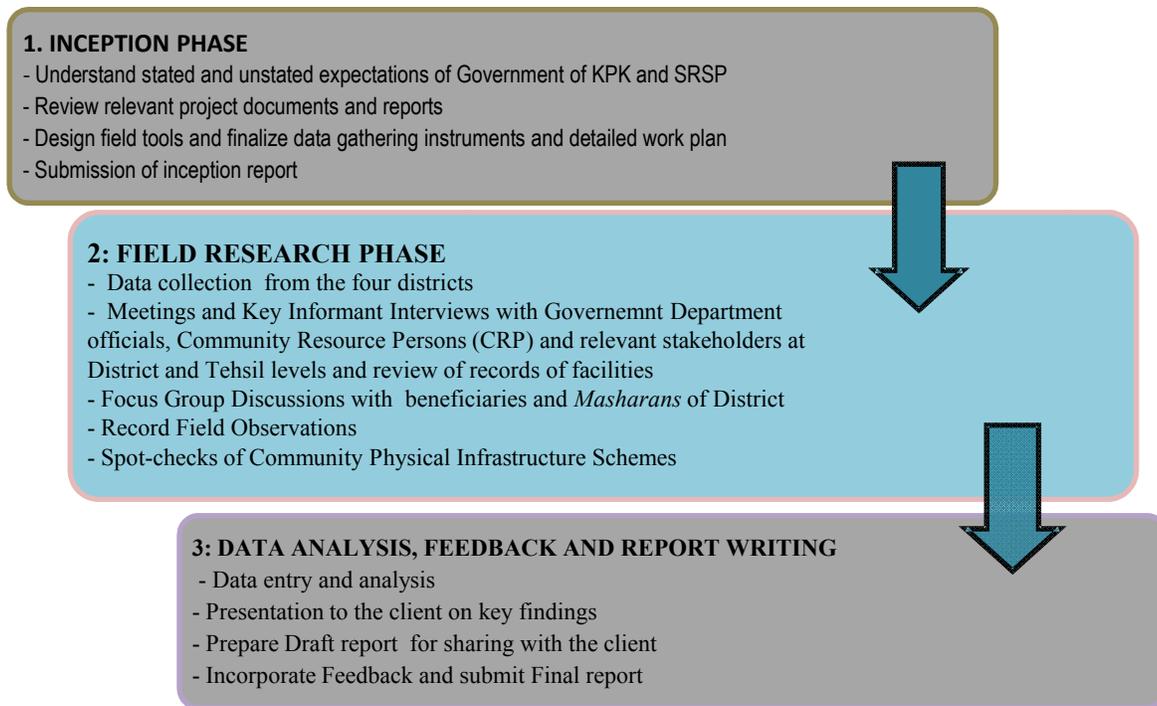
1.2 Evaluation Objectives

As required by the TOR, the evaluation aimed to assess the immediate impacts, relevance, efficiency, effectiveness and sustainability of the programme interventions. The evaluation aimed to also validate achievements against targets of the annual work-plan and highlight unexpected results (positive or negative) as well as missed opportunities.

The report has presented the key findings and lessons along with strategic recommendations for SRSP-BKPAP and the Government of Khyber Pakhtunkhwa. These are summarized in the following sections and aim to further improve the poverty targeting, program strategy, investment packages, implementation mechanism and the management efficiency of prospective programs and projects in future. The Evaluation also responds to SRSP's internal demand for institutional accountability and continuing improvements.

2.0 Approach and Methodology

Our **technical approach** and the core activities are summarized in the following diagram:



Evaluation activities commenced with an inception phase covering preliminary review of all programme documents, baseline data (i.e. the Poverty Score Cards of the sample) and the available sector and progress reports. In parallel, consultative meetings were held with the Government of KPK (SDU/P&DD), and SRSP key staff and other stakeholders relevant to the evaluation. Led by the Team Leader and the sector specialists, the meetings introduce the AiD team, further clarify the scope of work,

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obtained policy guidance for the evaluation processes and reached broad agreements on the coordination and reporting protocols.

Based on the TOR guidelines and several brain storming sessions, a set of “Evaluation tools” were developed, tested and approved by the SRSP/SDU. Efforts were made to ensure simplified formats for rapid but comprehensive data collection during the planned field visits to the sample beneficiaries/villages and/or schemes being evaluated. Given the broad range of TOR queries, a multi method approach for information gathering was executed. The key methods included documents review, direct observation, interviews with key informants, focus group discussions and household surveys of the sample beneficiaries and stakeholders. A robust “quality assurance system” ensured broad oversight of the evaluation processes. This included appropriate spot checks by the Team Leader and/or the sector specialists and dedicated field and office based staff who oversaw the entire survey process from the field up to the data entry, analysis and report writing phase.

The evaluation heavily relied on the use of KPK based male and female staff with required skills and the ability to freely travel to the various project locations. This was particularly important, given the unique security conditions, local restrictions and cultural sensitivities of the targeted areas. Among the core skills the team assigned a high priority to Pashtu language skills, familiarity with local conditions, knowledge of the local culture and the ability to negotiate access and effectively engage with local communities.

The field research tools including HH questionnaires, interviews and structured FGDs designed to collect community level information on project inputs, outputs/outcomes and experiences/lessons learnt etc. The field processes ensured a gender balance while all community discussions took place with separate groups in line with the prevailing cultural and religious sensitivities. The guidelines for administering HH interviews, key informant interviews and FGDs were finalized in consultation with SRSP and approved at the inception stage. All research tools were pre-tested and further upgraded before use in the field. As a final step a comprehensive training on all research tools was organized for the enumerators before the start of field work. This allowed the team to respond to a 2nd round of questions and observations to further streamline the tools as well as the field methodology.

Based on election fever and the likely impact on field evaluation, the survey work had to be halted for 4-6 weeks and resumed after the national elections were completed in May 2013. The last four weeks of the assignment were consumed in tabulation of quantitative and qualitative information from the field, data analysis, triangulation of results and report writing.

2.1 Overview of the BKPAP Components and Evaluation Sample

The following tables (Table 5 and 6) summarize the evaluation sample for the component and sub-components which was further discussed during the inception stage and agreements obtained.

Table 5

Intervention	Beneficiaries	Proposed Sample	Proposed FGDs
Poverty Score Card	138558	68	4
Community based organizations	4170	67	4
Capacity building of community members	9433	68	4
NRM	1644 Demo plots	20	2
	5081 Trainings	20	2
	6676 Seeds	20	2
	72754 Vaccinations	20	2
Rural Finance	12221	68	4
Micro-Insurance	27400	68	4
Technical & Vocational skills	4930	67	4
Total		486	32

Table 6

Interventions	Total Schemes	Sample Schemes	Interviews	FGDs
CPIs	683	30	30*2=60	12 (3 in each district)
CLTS	1549	20	20*2=40	8 (2 in each district)
Total		60	100	20

The overall sample results in a 95% confidence level with a 5% margin of error. As an overarching approach a purposive sampling has been ensured to reasonably cover the spread of project interventions in all targeted districts and the sample UCs. The sample also consciously ensured a gender balance at the household and VO levels.

3.0 Evaluation Findings

The following sections summarize the Evaluation findings:

3.1.1 District and UC selection

The selected districts reasonably capture the agro-ecological and the cultural diversity of north, south and central KPK. Based on the 1998 census, Mardan is the largest in terms of population at 1.46 million and exceeds the combined population of the remaining three districts (i.e. Karak (0.430 million; Upper Dir (0.575 million); Battagram (0.307 million)⁷). A clear rationale for the selection of the BKPAP districts could not be tapped from the available data, however field discussions suggest that this was largely a political decision of the ANP government. It appears that a discretionary selection was made from across the administrative divisions of KPK. (i.e. Malakand, Hazara, Bannu and Peshawar divisions).

⁷ District Population data is based on 1998 census.

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Meanwhile a recent Social Policy and Development Center (SPDC) study carried out in 2012 has ranked all KPK districts on the basis of diverse socio-economic development indicators. Aggregating the indicators from i) Education ii) Health iii) Housing quality iv) Housing services, and v) Economic deprivation, three distinct categories of districts has been defined. Among these the districts of Upper Dir and Karak fall in the most deprived category; Battagram is placed in the group of districts with “medium deprivation” while Mardan is placed in the group of districts that show a low state of deprivation. On the other hand the SRSP data generated from the Poverty Score Card shows Mardan with a highest number of poorer households (i.e. at 49%) compared with 47% in Upper Dir, 44% in Battagram and 20% in Karak).

Quite clearly, multiple and non-matching socio-economic indicators underpin the respective analysis. However, this could be a useful topic for future research. Meanwhile a cross section of the key informants highlighted that the selection of Mardan was politically motivated and not the best of choices for a poverty reduction program. Nearly 50% of the BKPAP funding was allocated to Mardan which has raised further concerns from various quarters. However this criticism is partially offset by the need to also test the poverty program in districts with varying size and mix of populations, infrastructure and socio-economic dynamics. In contrast with Upper Dir, Battagram and Karak, Mardan has a larger population (in fact exceeds the combined population of the 3 districts); has a significantly larger urban character; better infrastructure, influential leadership, larger access to local and nearby markets and yet contain sizeable chunks of poverty spread across its rural and urban areas. Thus a reasonable argument can be made for a Poverty reduction pilot to test the community dynamics and draw conclusions in relation to other districts that are predominantly rural and also relatively less endowed.

In terms of the Union Councils (UCs) no reliable data is currently available on the spatial distribution of poverty, access to services or other infrastructure within each district. None of the Ex-DCOs interviewed during the course of the evaluation could recall how the final list of UCs was drawn. Indeed some felt disappointed that their recommendations were not followed.

Field discussions suggest that the local ministers/MPAs played a key role in the selection of all UCs with no significant inputs from the SRSP or the SDU. Of the 40 program UCs, a total of 20 UCs were targeted in Mardan, 6 each in Karak and Battagram and 8 UCs were targeted in upper Dir. However, as opposed to a clustering approach which may have reduced costs and facilitated management, a widely scattered set of UCs were selected in each district. Discussions with some of the former DCOs indicate that while the UC selection was generally good, some changes would have helped target the most deprived UCs in each district.

3.1.2 Poverty targeting at the household levels

Building on a previous pilot and the large Benazir Income Support Program (BISP), the BKPAP adapted the Poverty Score Card (PSC) as a household targeting tool with considerable success. The tool essentially aggregates a poverty score through several proxy indicators. These include the household size, educational attainments, number of rooms, type of toilet as well as information of various household assets such as transport, livestock, land and appliances. Based on a statistical program the proxy indicators eventually yields Poverty Scores for each household, which are further categorized to describe the degree of deprivation or poverty.

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Available secondary data suggests that an unprecedented Poverty Score Card Survey was carried out between December 2009 and January 2010 covering a total of 139,871 households, yielding an average size of 8.3 persons per HH. Based on this survey “poor” and “non-poor” HHs were identified. Interestingly the PSC results showed relatively higher incidence of poverty in Mardan (49%); followed by upper Dir (47 %) and Battagram (44%). The district of Karak showed the lowest incidence of poverty at 20 % due to its unique socio-economic dynamics.

Households scoring above 23 were placed in “non-poor” brackets while those below this threshold were further categorized into 3 broad bands. Households with a poverty score in the range of 0-11 were categorized as extremely poor/destitute; the next group in the poverty score range of 12-18 were identified as “chronically poor” while HH with a poverty score of 19-23 were declared as “transitory poor”. The BKPAP interventions were designed to broadly respond to the three brackets with some overlaps that are covered in the following sections. This categorization was used by the program managers to target specified interventions for individuals/groups falling in selected poverty brackets.

The tool has reportedly worked well in most cases however in some areas skewed results were reported by the SRSP staff as well as the survey team. In some cases, the questions relating to “Educational attainment” and some other categories appear to generate a higher “poverty score” than actually desirable. As a result “exclusion errors” have been reported. Possible mitigation measures for this could include further revisions to the design of poverty score card and possibly a village level participatory validation of the selected households to rule out such issues in future.

Based on field surveys and Key Informant Interviews the PSC criteria has helped the BKPAP to better argue and defend the poverty focus. Field discussions also suggest that the PSC approach has enabled the district and senior managers to off-set political pressures for beneficiary inclusion and gradually build an awareness, appreciation and buy in for a poverty targeted program in the political and bureaucratic circles of the targeted districts.

The evaluation team has validated a predominantly positive feedback on the accuracy of the targeted households for virtually all BKPAP interventions. Further details on the beneficiary perceptions are summarized below.

Social Mobilization

4.0 Social Mobilization

The social mobilization component covered the following interventions:

- Poverty Score card: Poverty Score Card of 138,558 HHs carried out in selected 40 UCs of four districts
- Formation of MCOs/WCOs : A total of 4,170 men and women community based organizations have been formed with a total membership of 91,292 in all four target districts .
- Capacity building: Capacity of 9,433 community members was enhanced in managerial skills
- Identification of CRPs: 474 community members were identified and selected as Community Resource Persons.

Arguably the heart of this program, this component focuses on identification of the most vulnerable households through a systematic capture of proxy data at the household levels (i.e. the score card approach) which is now widely recognized as a useful targeting tool. The program has heavily invested in the formation and strengthening of male and female community organizations (MCOs/WCOs) that are expected to serve as drivers of change and have facilitate the implementation of all program interventions.

Based on the available reports, all component and sub-component outputs, were met or exceeded. The following table provides a summary of the PC-1 targets and the actual achievements as per SRSP final report. The table below summarizes the targets and achievements for the social mobilization component.

Table 7

Activity	Unit	PC1Targets	Achieved as per SRSP final report
No of CO/VO/LSO to be formed	CO/WO	3600	4740 (total membership of 91,292 in all four target districts)
Community management skill training (CMST)	Person	7200	7837
Manger Conferences	Event	160	181
Leader & Management skill trainings (LMST)	Person	3600	3868
Community Resource Persons	Person	400	617
Poverty Score Card	Union Council	40	40 (138,558 HHs covered in all UCs)
Staff Capacity building	Person	320	428

The evaluation sample for Social Mobilization component covered 44 MCOs and 43 WCOs across the four targeted districts. A total of 176 households were interviewed, with a gender balanced approach. Additionally 9 FGDs were held with village elders and community representatives from within the sampled MCOs/WCOs; 6 FGDs were held with VOWs and 2 FGDs with LSO members. Of the interviews held 36 % of the respondents were household heads while 64% indicated themselves to be close adult relations including fathers, sons, daughters and/or wives. Nearly 26% of the interviewed households were also found to be receiving benefits from Benazir Income Support Program (BISP).

Social mobilization is the foundation for any community led program. Therefore its relevance for BKPAP cannot be over-emphasized. Virtually all components of the program are directly dependent on

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the effectiveness of MCOs/WCOs. Therefore, efforts were made to evaluate the efficacy of its structure, composition, governance and decision making systems, capacities, office bearers as well as the understanding and awareness levels of its members (both male and female).

Targeting

In view of the BKPAP objectives, group formation was a sensitive process. Although the program target were the poorer groups the district managers were careful not to antagonize the better off. As a result all preliminary meetings were open to the entire village/mohallah. This approach was critical to build awareness and ensure the needed buy-in. Over time the PSC gradually excluded the well off to permit targeting of the most deserving. Meanwhile the CPIs by default benefitted everybody and were viewed as useful interventions to ensure the broader buy in critical for community cohesion and continued program activities.

Field discussions also suggest that the project faced some difficulties due to its name. Many communities viewed the BKPAP as a political gimmick and therefore shied away. However SRSP's staff continued to work and was eventually able to create and build a reasonably active MCO/WCO platform in all districts. Most organizations had to be formed from scratch, although a smaller number, particularly in Mardan existed from the previous work undertaken by NRSP, HDF and some other local organizations in the target districts.

Community participation has been ensured through a social mobilization strategy and process that essentially entailed community dialogues, exploring willingness of communities and, setting terms of partnerships to implement, manage and own the program activities. Overall, a majority of respondents reported that the social mobilization component and its outcomes were highly relevant for poverty reduction. In Upper Dir 97 % of the respondents said that BKPAP interventions were very useful for poverty reduction, followed by Mardan and Battagram (at 94%) and Karak where 86% of the respondents felt that project interventions were highly relevant.

Nearly 86% of the respondents regard themselves as active members of their respective MCOs/WCOs while remaining 14% were largely unaware. Battagram appears to be the most active in terms of MCO/WCO awareness as nearly 100 % of the respondents knew the purpose and objectives of the group formation. This was followed by Upper Dir (94%) and the two districts of Karak and Mardan where nearly an equal percentage (84%) of the respondents expressed awareness of the purpose and objectives of group formation. These findings were reinforced during the FGDs and discussions with the MCO/WCO representatives and the community in general.

Most MCOs/WCOs were also able to correctly identify their roles ranging from collective work for community development; joint decision making; accountability and transparency towards the community; ensuring cost effective implementation of interventions and development of cohesion amongst community members.

Even though poverty targeting was at the heart of BKPAP, a surprisingly large 39 % of the respondents had no knowledge of the PSC's purpose and how it served as a targeting tool.

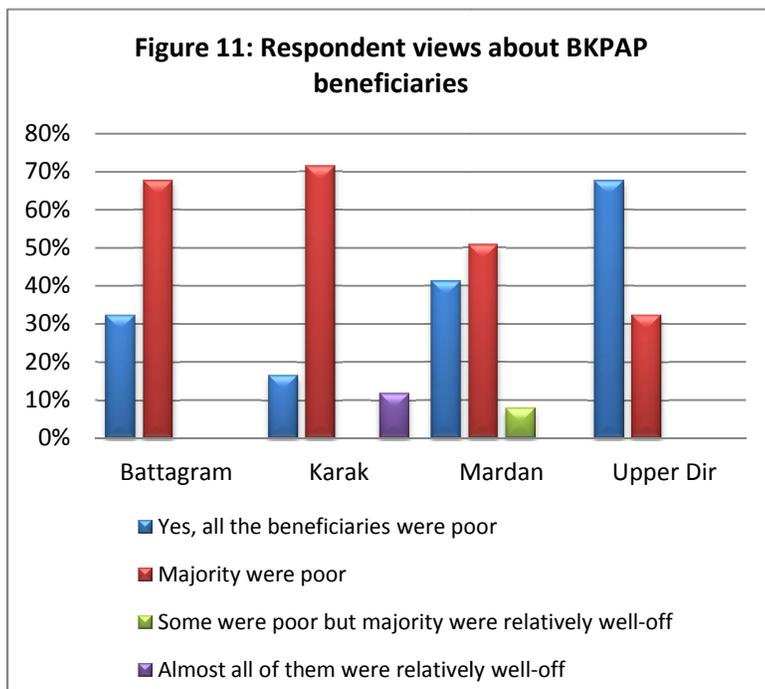
Participation

On questions regarding participation in “needs assessment and prioritization of schemes and interventions”, roughly two thirds of the respondents indicated that they had participated in the process. However the situation was worrisome in Karak and Mardan where 50 % and 48 % indicated a lack of participation in the identification and prioritization processes. (See Table 8 below for the district-wise break up of responses received).

Table 8: Participation of any member of the HH in need assessment/prioritization

	Battagram	Karak	Mardan	Upper Dir	Total
Yes	76%	50%	52%	91%	64%
No	24%	50%	48%	9%	36%
Total	100%	100%	100%	100%	100%

A majority of the respondents felt that the program has targeted the poor, although some inclusion errors in the targeted districts were also reported. For instance 12% of the respondents in Karak, and 8% in Mardan said that a majority, or most of the beneficiaries “were relatively well off”.



A self-assessment of the MCO/WCOs members about the poverty status of all BKPAP beneficiaries in Battagram, Karak and Upper Dir suggests that 90-100 % were perceived to be poor. On the other hand 75-80 % of the targeted group in Mardan was perceived to be poor (see Fig 1). The focus groups highlight a blend of membership from across the economic strata in which individuals received both direct and indirect benefits.

The impacts on the lives of women were most pronounced in the water and sanitation schemes, loan credits, skill trainings and micro health insurance schemes, although some issues were raised around individual beneficiaries who were able to benefit from more than one intervention in the same

village/household.

Responses to questions on the economic status of the office bearers in Battagram and Mardan show that a relatively smaller (26% and 17% respectively) felt that they were poor or represented the poor. On the other hand respondents from Karak and Upper Dir indicated that 50-100% of the MCO/WCO office bearers were from poor classes.

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Activity levels and interest within the MCOs/WCOs was partially gauged by the attendance of its membership in the meetings called by the office bearers. A relatively high, 45% of the respondents indicated that attendance varies from 50-75% whilst 22% of the respondents felt that MCO/WCO attendance varies from 76% to 100%. A relatively higher trend of attending meetings was observed in Upper Dir while elsewhere the trends were nearly uniform.

When asked about who selected the office bearers, a majority reported selection by the MCO/WCO or the CO office bearers. About 28% of the MCOs and 20% of the WCOs noted that the office bearers were selected by SRSP in consultation with the communities. This trend was quite high in Mardan (41% in MCOs, 54% in WCOs) and in Karak where 46% of the MCOs reported that office bearers were selected by the SRSP in consultations with communities. Questions on the selection of Community Resource Persons – a key facilitator at the village level, show that a majority were selected by the communities. Another 29 % of the respondents stated that the CRPs were selected by SRSP in consultation with the community. Within the districts, nearly 45% of the respondents, particularly in Mardan and Karak indicated that CRPs were selected by SRSP.

The CRPs were important front line staff for all BKPAP interventions and their field strength varied. For each Union council, anywhere from 4-6 CRPs were employed. Nearly 60% of the CRPs were male while 40 % were female workers. The program strategy called for the selection of educated staff who were typically selected from the same Union Council. A reportedly thorough screening process was followed to ensure selection of the best and the brightest. Many of the CPRs were graduates however some brought Masters' degree while others came with a matriculation certificate. Payroll was kept down through a surprisingly modest monthly stipend of PKR 4000/-.

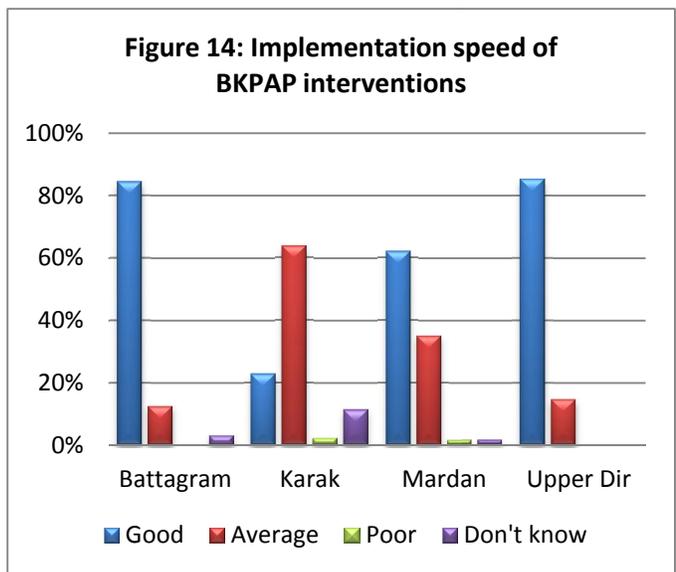
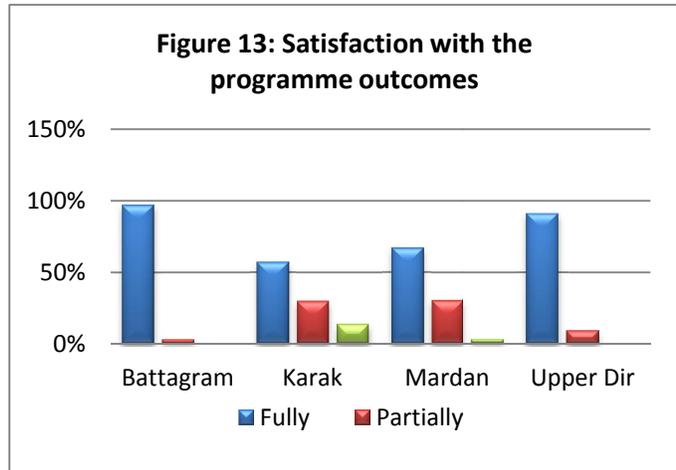
Working as the front line staff, the CRPs essentially managed all the MCOs/WCOs within a designated area; facilitated trainings; looked after the management of events while some of the better CRPs also helped with delivery of training activities. The poor among this group also qualified for BKPAP assistance and were treated like any other beneficiary. Post program completion, the stipends have obviously stopped however some of the CRPs are still reportedly contributing in the project areas.

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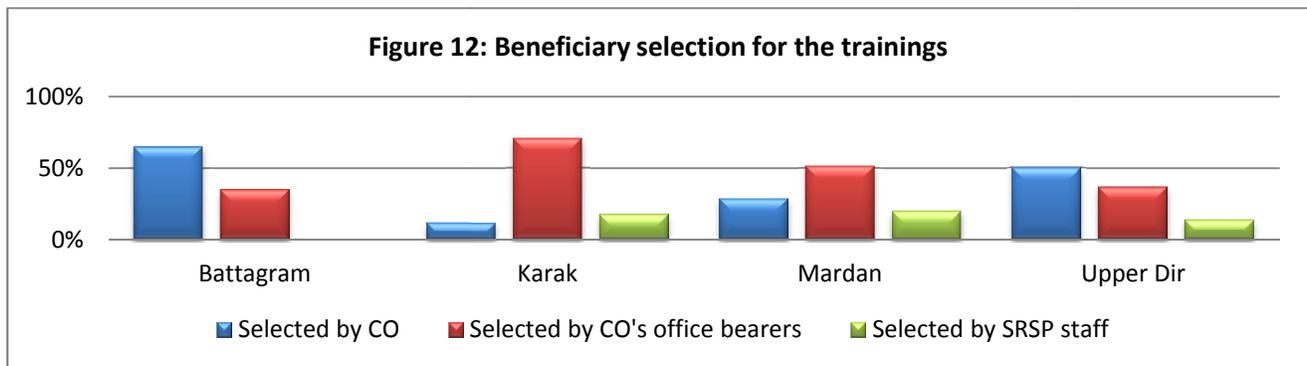
Review of the capacity building interventions show that nearly 60% of the respondent had attended BKPAP trainings. Others were generally not aware or had not participated in the various training activities including the standard CMST, LMST, or the technical skills and agriculture trainings. The CO office bearers appear to have selected bulk of the trainees. However, a participatory role of the CO in the selection of trainees was more pronounced in Battagram and Upper Dir. Between 15-20% of the trainees were also reported to have been selected by the SRSP staff with the exception of Battagram. The training programs were generally well received as a high 83% of all respondents expressed satisfaction with the training imparted (see fig. 3).

Responding to questions on “satisfaction with program outcomes”, the highest rating was received from Battagram (nearly 100 %) followed by Upper Dir where nearly 90% of the respondents expressed full satisfaction with the program outcomes.

In contrast a relatively smaller 50-60% of the respondents in Karak and Mardan expressed full satisfaction. Perhaps the figures reflect a measure of the variations in program quality as indeed the relatively higher awareness and education levels and the corresponding expectations in Mardan and Karak.



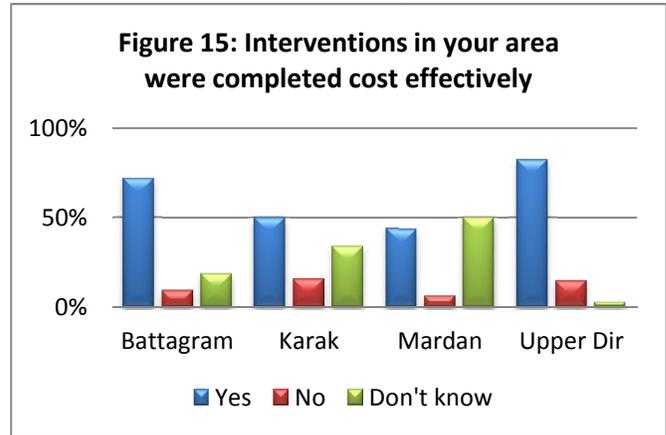
Efficiency



Implementation speed and progress varied across the districts, however a majority of the respondents noted this to be good or average in all districts (see fig. 14). A majority of the respondents in Battagram

(70%) and Upper Dir (82%) felt that the BKPAP interventions were completed in a cost effective manner. This may be a possible reflection of greater community participation as well as engagement and knowledge of the various interventions. In contrast only 40-50% of the respondents in Mardan and Karak shared this feeling.

A very large number of respondents in Karak and Mardan (33-50 %) also expressed no knowledge of the cost effectiveness. This is quite possibly a measure of lower participation and MCO/WCO and lack of openness to its larger membership (see Fig. 15).



This is also partly borne by the various FGDs at the district levels. On the other hand, discussions in Upper Dir and Battagram showed that the communities were relatively more vigilant and also actively involved in the field processes to ensure cost effective outcomes.

Transparency

On the transparency fronts, a modest 62% of the respondents were mostly aware and also comfortable with their access to information regarding MCO/WCO affairs and decision making. However, a sizeable 37% of the respondents indicated a lack of awareness about project interventions and issues with transparency. The FGDs highlighted varying degrees of favoritism and other biases on the part of MCO/WCO Office Bearers which impacted on the beneficiary selection processes and need prioritization.

Of the sample MCOs/WCOs, nearly 84% were formed specifically for purposes of BKPAP implementation while the rest (16%) were already functional prior to 2009/10. Nearly 60% of the respondents indicated that the MCOs/WCOs general body met on a monthly basis, while 37% stated that they met on a need basis. The monthly meetings generally reduced after the BKPAP field activities were closed.

Sustainability

As a useful indicator of sustainability, the survey shows that some of the COs have also initiated non-BKPAP projects since their establishment, especially in Upper Dir (26% respondents), Karak (11% respondents), Mardan (9% of the respondents) which shows the maturity levels of the COs to network and carry on with other development work in the local community.

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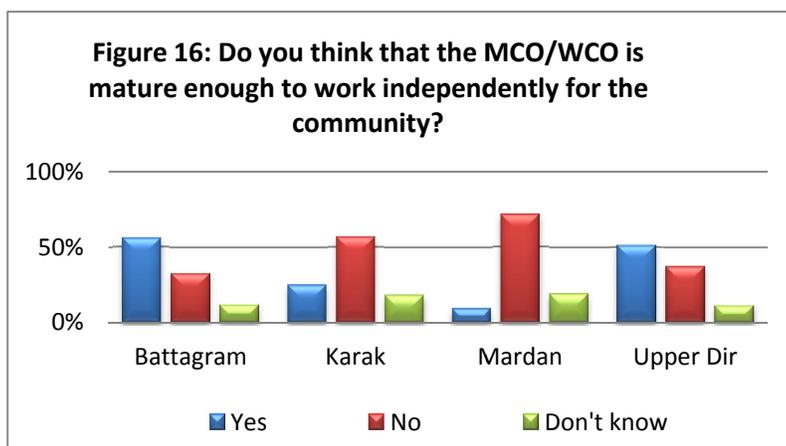
Maturity and confidence levels appear to be the highest in Battagram and Upper Dir where 50-60% of the respondents felt that the MCO/WCO is mature enough to independently work for the communities. In contrast nearly 70% of the respondents in Mardan and 60% in Karak responded in the negative and highlighted the need for additional support from the Government and SRSP to carry on developmental activities in the community (see Fig. 16).

On aggregate about 18% of the respondents indicated that they have established linkages with local Tehsil and District line agencies, particularly for pursuing NRM activities (See Table 9)

Table 9: Linkages with the local Tehsil, District Line agencies of government

	Battagram	Karak	Mardan	Upper Dir	Total
Yes	12%	11%	17%	31%	18%
No	79%	84%	48%	46%	63%
Don't know	9%	5%	35%	23%	20%
Total	100%	100%	100%	100%	100%

Another 20% of the respondent indicated that they had established linkages with previously elected local representatives, whereas 40% of the respondents indicated that their COs had clustered to form VCOs/LSOs. However, in most cases, the cluster group felt they needed more time to reach maturity as the BKPAP activities were wrapping up and the day to day institutional support was no longer available. With some exceptions, sustained capacity building assistance will be needed in the short to medium term for many of the cluster groups. In this context, it would be important to highlight that the VOs/LSOs that were made prior to BKPAP were relatively mature and therefore performing better. Field discussions confirm that they have a greater understanding of community development processes and also bring longer experience with a variety of development schemes, especially for CPI related activities.



Discussions in field representatives suggest that the program was also able to form several LSOs in the targeted districts. The LSO is a Union council level apex body and draws on membership from the MCOs and WCOs within each UC. By the time the project came to a close, LSOs had been formed in

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25% of the UCs in Mardan. While some were fairly good, these were still barely 1 year old and clearly needed additional support and capacity building assistance. Another 15 were expected to be formed in the new phase which is under active consideration. Based on SRSP strategy, each Union Council will eventually have one active LSO which is also viewed as an exit strategy. After SRSP's draw down in the district which essentially began in May/June 2013, the LSOs are expected to take charge and also sustain operations through fund raising and public/donor assistance. A key responsibility would be to backstop village level institutions and support service provision in the longer run.

Impact

In terms of overall impacts, a very large majority (90%) of the sampled household said that the program worked well to alleviate poverty; 89% of the respondent saw a positive change in the employment/self-employment in their respective areas; and 70% of the respondents reported improved agriculture and livestock practices in the area as well as improved health and hygiene at household level since BKPAP's introduction.

The formation of the local MCOs/WCOs has also helped in communities in other non-tangible ways. Nearly 82% of the respondent noted enhanced social cohesion and cooperation at mohallah/village level with further downstream benefits. The conscious choice to ensure a gender balanced program was also generally well received. As a result, with some variations, both men and women have equally benefited from program activities.

A cross fertilization of the leadership and public welfare spirit was also visible in the role of the MCO/WCO office bearers in political parties and local elections. Overall, a surprisingly high 32% of the respondent stated that the BKPAP office bearers are also officer bearers for the various political parties. This trend was relatively lower in Karak and Upper Dir where 14-20% of the office bearers were also involved in other political parties.

Livelihoods Strengthening

5.0 Livelihood Strengthening (RFS, NRM and CPI program)

The Livelihoods strengthening component aimed to improve the livelihoods of poor and vulnerable, especially the women in targeted districts through Community Investment Fund, micro credit, participatory infrastructure schemes and improvement in Natural Resource Management. The following sub-components were covered:

- Rural Financial Services (RFS) which provided micro financial services to the community through group lending methodology at an affordable price, enabling the clients to enhance their income generating capacity. This was complimented by the Community Investment Revolving Funds (CIF) to cover the initial fixed cost of the fresh micro enterprises for business incubation.
- Natural Resource Management (NRM) included demonstration plots, agriculture, livestock, poultry extension, worker trainings, vaccination and de-worming campaigns.
- The Community Physical Infrastructure (CPI) sub-component targeted community managed micro physical infrastructure projects. Under this sub-component, several hundred schemes were completed. These included water supply and sanitation schemes, road projects, and irrigation as well as micro-hydel units.

This component aimed to create the core means for poverty alleviation through improved access (of the poor segments) to small loans for a variety of home and non-home based micro enterprises (i.e. livestock, poultry, small shops, village services etc.); access to new agriculture technology; and new asset creation at the village levels (small water supply, irrigation and other schemes) which further supplements the focus on poor and helps capitalize on the new opportunities created.

5.1 Rural Financial Services

The Khyber Pakhtunkhwa economy has suffered the brunt of Afghan refugees whereby 3 million refugees competed for jobs and business opportunities with the local population. After the return of a majority of the refugees and when the economy was just about to recover, a vicious insurgency and Taliban activities became a huge challenge for businesses operating in the province. This was further exacerbated by long hours of electricity outages due to the energy shortfall in the province.

The Post Conflict Needs Assessment (PCNA) report conducted jointly by the World Bank, Asian Development Bank, European Union and the United Nations Development Programme reports that a key factor for insurgency in the province is poverty. Foot soldiers of the Taliban, according to the PCNA, are paid Rs 15,000 per month as wages. This is almost double the minimum wage in Pakistan which is the norm in many sectors of the economy. The smuggled goods economy and the adjoining tax free Federally Administered Tribal Areas have also rendered local industry uncompetitive resulting in close down of industries thus pushing a high unemployment and a spiraling poverty.

Access to credit, particularly at the grass roots remains a huge challenge. Very few institutions are willing to lend to the poor because of the associated risks. KPK is also a highly conservative society.

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With a religiously inclined population – particularly in the rural poor, the uptake for interest based loans is very small, since usury is strongly banned in Islam.

Large financial institutions such as Habib bank which is also a BKPAP partner for local savings, though willing to provide loans to communities with a 2.5% spread over the savings rate, requires a lien on 90% of the funds and also Rs 2,600 processing fee for each loan. This makes bank borrowing unfeasible for communities against cash collateral. Since the poor do not own tangible assets that can be pledged, this is clearly not a feasible option. Other non-governmental players also reportedly charge an exorbitant interest rate of 24% or higher. However, a variety of other challenges also add to financial risks. NRSP was lending in the area and suffered huge losses due to default since the clergy announced that the loans were un-Islamic; as a result borrowers defaulted en-mass.

In this context the programme sponsored by the Government of KPK and implemented by SRSP was quite relevant; providing the poorest in rural and semi-urban areas with loans that were previously inaccessible and also extending a desired interest free product that is managed and owned by the communities themselves with oversight by the SRSP. Furthermore, communities were also provided training for employment and self-employment, although this training was often not linked with financial support.

In general the financial and physical targets agreed between the government and SRSP were adhered to. However the review noted some deviations from the PC-I and no evidence found whether this deviation had been approved by the competent government forum. These deviations were minimal and related more to the options or strategy for programme delivery.

One such example relates to the Micro Credit programme, which did not consider some of the potential options outlined in the PC-I, in particular the possibility of an equity based Sharia compliant microfinance model.

Based on program documents (i.e. the approved PC-1), BKPAP would develop community's capacity to manage external shocks and develop, support and strengthen their livelihoods to come out of the vicious circle of poverty through a focus on the following three options:

- A programme based on the best practices of micro finance as per SRSP experiences i.e. urban programme, rural programme and village banking would be initiated. In such a case all the associated risk taking capacity has to be provided to SRSP by the provincial government.
- Subsidized micro finance programme, if political and social factors are to be considered as well. In such a case the rate for micro finance and all other associated factors has to be agreed by SRSP and provincial government.
- Islamic mode of financing can also be considered to be an option for extending micro finance to rural poor. Keeping in view the growing demand in the province for loan products that are in Sharia compliance, SRSP would thus bring in use the most suitable mode of Islamic financing under the project. Having no access of its own to loan capital from an Islamic source, SRSP will be highly dependent on the government for loan capital. *Mudaraba* mode of Islamic financing is therefore proposed to forge a working relationship between the government (source) and SRSP

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(implementer). Typically, *Mudaraba* is a trustee-type partnership finance contract where one party (*Rabb-ul-Maal*) provides capital while the other provides management or labour (*Mudarib*).

SRSP will thus offer to its rural client's loan products designed under diminishing mushraka and murabahawhile to the clients in urban areas Ijara and murabaha mode of Islamic financing. Loans for consumption purposes and to the non-working poor however will be restricted as the program cannot afford to offer Qarz-e-hassana.

5.1.1 CIF Funds Revolving funds

The CIF comprises two broad components:

- Micro Revolving Funds and
- Micro Grant Funds (IGGs)

The Micro Revolving Fund (MRF) is the chief component of CIF, as 80% of the total CIF is kept aside for loan purposes. The core focus of these loans is income-generation activities managed by the Community Organization itself. The Micro Grant Fund (MGF/IGGs) consists of the remaining 20% of the CIF. This grant fund is meant to provide assistance to those community members who are not able to generate enough income to repay loans.

CIF is managed at the CO level. Each CO is given a fund consistent with the number of poorest members in its COs. The VDO takes the responsibility of monitoring, by training and appointing an adequate number of book-keepers to ensure proper book-keeping by each CO. The COs compensate the VDO for the services provided by the book keeper. The CO is responsible for the appraisal, approval, disbursement, and recovery of the CIF funds. The CO determines the rate of service charge, repayment schedule, fines and penalties.

The RSP pays the CIF to the VDO in three equal installments. The VDO submits the request for the CIF installment to the RSP. The RSP then pays the requested amount to the VDO. The VDO then transfers the requests of the individual COs to them, and the COs pay the applicants. In case of the second and third installments, the VDO will evaluate the performance of the CO and pay funds only when it is satisfied with the performance of the CO on the CIF. Joint monitoring (RSPs and Communities at either level) to gauge the progress on CIF is an integral component of this whole process.

The Programme Outputs and Outcomes according to the approved PC-I are:

a) Programme Outputs

- 16,960 members to be benefiting from micro loans, CIF and COs capacity building under rural financial services.
- Micro insurance, technical and employable skills training benefiting 102,000 beneficiaries.

b) Programme Outcomes

- Develop social capital and community institutions and technical models for poverty reduction and sustainable development;
- Raise the income and quality of life of people, especially the poorest and vulnerable community members, living in the target area;
- Increased employment and income opportunities vis-à-vis income and reduced level of poverty in selected districts.
- Improved asset base of poor and vulnerable vis-à-vis their situation and condition in target areas.
- Improved women mobility and self-confidence facilitating their access to services and opportunities.
- 89,600 members to be benefiting from social protection component in programme year 1 and year 2.

Some of the generic benefits of the programme would include the following:

- Raise the income and quality of life of people, especially the poorest of the poor men and women, living in all 24 districts of NWFP;
- Provide an effective and cost efficient service delivery mechanism for the donor agencies to reach the poor, poorest and women;
- Evolve sustainable structures for productive management of available natural, human and financial resources;
- Improve responsiveness of the relevant agencies to the local priorities/needs through enhanced communication and strengthened linkages amongst key stakeholders.

5.1.2 Analysis of the CIF loans and Grants

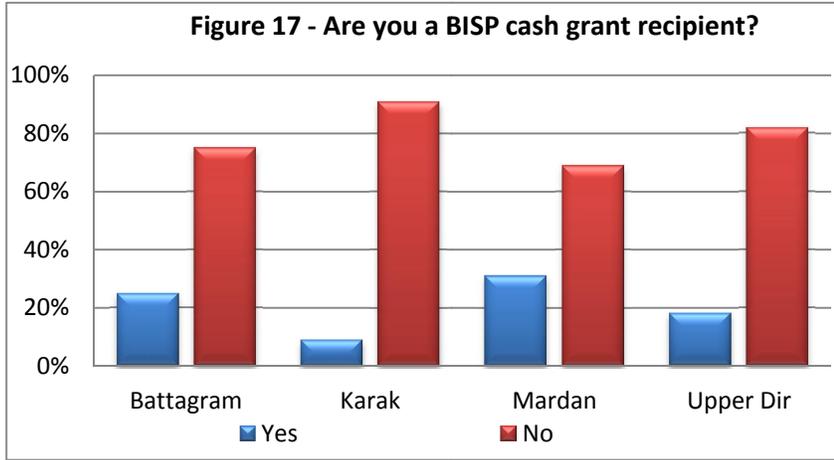
Relevance

The target group, which is the poorest according to the Poverty Scorecard survey, is largely un-served by banks. The low level of loan requirements is a weak business incentive for financial institutions while the traditional loan formalities remains a large disincentive for most people, particularly the poor. This group of people is also averse to taking loans on fixed interest since this mode of borrowing is forbidden in Islam. The National Rural Support Programme has suffered huge losses as a result of mass defaults in Mardan since the locals declared interest based loans un-Islamic.

The product designed by SRSP is unique and one that caters for religious sentiments as well as being easily accessible to the poorest community members and is based on mutual and shared responsibility for repayment, thus drastically reducing transaction costs.

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Figure-7 shows that 20% to 30% of the beneficiaries were already recipients of the Benazir Income Support Programme. This further collaborates the finding that the most deserving households were targeted by the Programme, even though certain aspects of the project design (as outlined in the PC-I) were not fully adhered to.



The PC-1 notes that “As per RSPs experience in NWFP and elsewhere, it is expected that once the programme commences, a standard RSPs package would be offered leading to initiation of a number of activities for e.g. HRD, small scale physical infrastructure, community based education system, small and medium enterprise development and micro finance with the target communities, which would result

in an average increase of almost 15-20% their income levels”. However, Enterprise Development support to borrowers in terms of establishing, managing businesses and marketing of products was found to be absent in most cases.

More importantly, all the community members reported that CIF loans was their highest priority, indicating that a real need was met by providing this service and fund injection into the resource poor communities.

Selection of beneficiaries was also done transparently and reasonably accurately. This supports the claim that due to robust systems and criteria that were developed, it was very difficult to accommodate political favors; even if this was done it was done within the overall framework developed by the project. In Karak and Upper Dir respondents felt that 75% of those who were selected were from amongst the poorest; however even in the politically charged district of Mardan all those selected were reported to be from the poorest households. SRSP’s secondary data also supports this result, since some community members were on the upper limit of the poverty score card. However this is not a considerable deviation and suggests that overall the selection was transparent thus impacting the poorest.

Efficiency

There are several levels of analysis to determine the efficiency with which the loans were provided. At the highest level is the release of funds from the provincial government to SRSP. Discussions with SRSP senior managers highlight large and repeated delays in the transfer of funds from the provincial government to SRSP, often resulting in a rush to meet targets after the funds were released. Evidence points to bulk of the project receipts during the last 4-5 months of each annual cycle which pushed the SRSP team to squeeze project activities over a shorter time line thus compromising delivery and overall management. As a result a more “target versus process oriented approach” appears to have taken precedence whereby the program “outputs” measured in %age physical and %age financial targets became more important. Discussions with selected government counterparts attribute the delay in the release of funds to unpredictable revenue flows from the divisible pool of resources under the NFC

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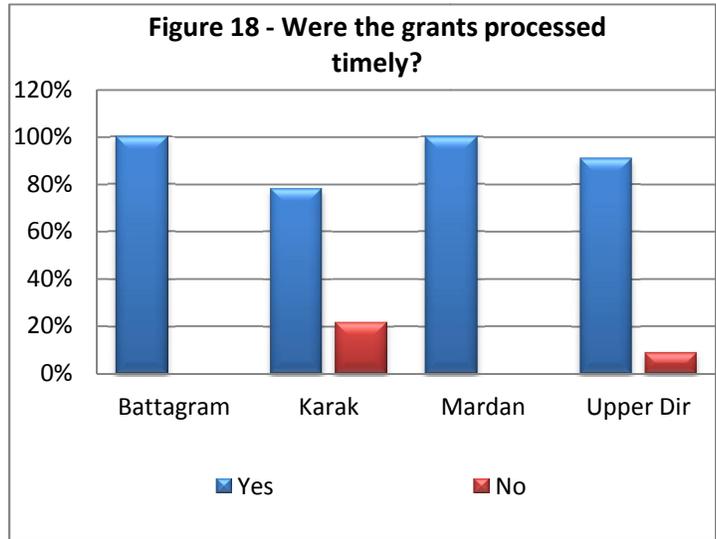
award. However other evidence points to abundant public sector budget releases for wide ranging development activities during the same timeframe -- particularly for the “politically sensitive and large BKPAP district of Mardan”.

At the 2nd level efficiencies were measured in relation to the provision of the CIF grant to the community by SRSP. While at the 3rd level the team also reviewed the transfer of loans from the community to the borrower.

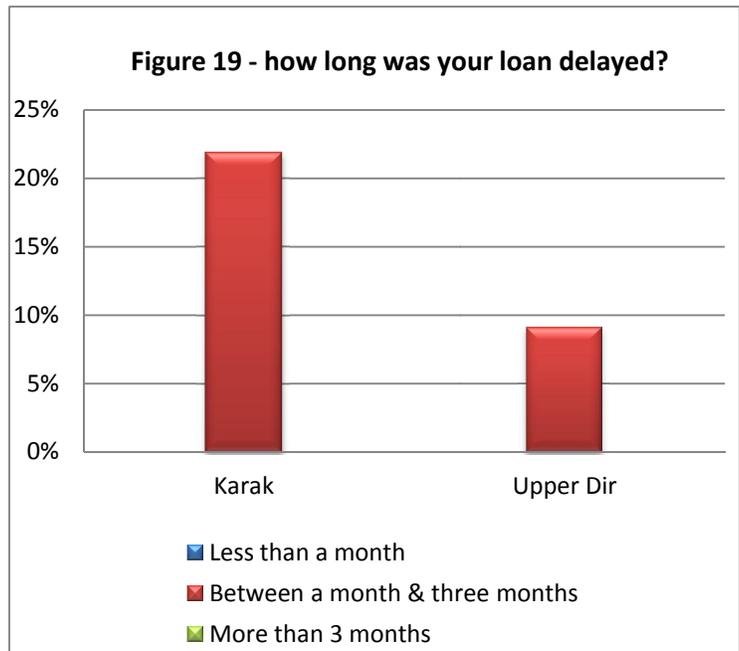
While the downstream loan processes to the VOs and individual worked generally well, some delays were reported, particularly in Karak and upper Dir (see Fig. 18) which could be partly attributed to the distances involved. Field evidence suggests that the loan cases once recommended and processed by the community had to be also approved by the SRSP Head Office in Peshawar⁸. This normally delayed the processing and issuance of loans by the community to the member requesting the loan. Future programs could benefit from new protocols to reduce such delays.

In districts where delays did occur, respondents noted a time lag of 1-3 months. For many community members this was significant, considering they often do not plan very much in advance and require the loan at the time of need, often for agricultural purposes where the need is time bound. This could be revisited by cutting down on the Head Office approval processes, particularly in the case of communities with whom SRSP has had a long track record. The average delay period of between 1 to 3 months was reported by 10% of respondents in total (see Fig 19).

Repayment rates suggest that regardless of some defaults, the model in terms of its design, whereby communities have control over their resources and loans are provided free of fixed interest, is appropriate in the context of the Khyber Pakhtunkhwa province. The repayment rates have been reported at 93%, with repeat loans.



For many community members this was significant,



⁸Please refer to Annex- for CIF Flow chart

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The following table (Table 10) shows that SRSP has achieved and even overshoot the program targets. As of Dec 31, 2012, the progress against various interventions is shown in the table below, while the financial progress for the Livelihood Strengthening component is 98.7%.

Table 10

Activity	PC-I Target	Achievement	%age
Micro-credit	5,200	5,371	103
CIF Revolving Fund	7,920	11,155	141
CIF Management Training	3,800	2,937	82
Community Credit Extension Worker	240	263	110

SRSP has creatively transformed the Community Based Financial Intermediary model to make the communities fully take charge of their development. As part of this approach, Community Credit Extension Workers (CCEW) were appointed at the community level, thus drastically reducing the transaction costs for providing loans. The CCEWs were paid Rs 5,000 per month which was transferred in lump sum to the VO account with the understanding that the VO would release their monthly salaries. On average 4-5 WCOs were grouped together to create a CIF VO in each district.

The CEW strategy is a good one for regular and timely follow up, local knowledge and relations. Most CEWs are young people with 25 – 30 years of age and typically underwent a 3 day training program before initiating field work. CEW functions include keeping record for the beneficiaries, prepare cheques, draw funds from banks and deposit recovered loan amounts, arranging VO meetings, writing the resolutions, filling forms for members and making receipts.



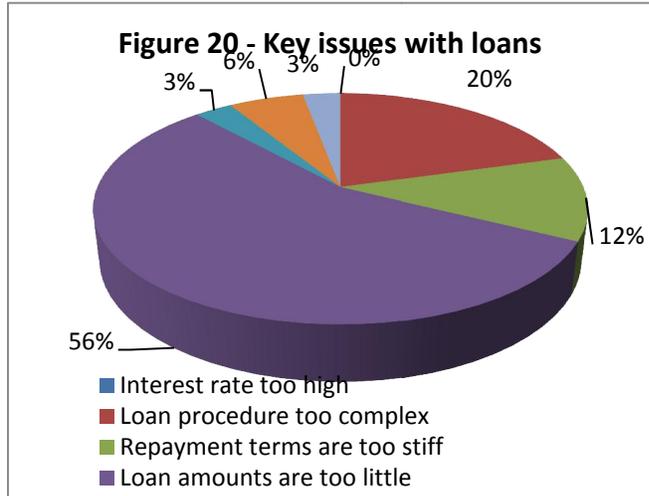
Some issues were also highlighted in the field. The Mardan based CEWs for example complained that though Rs. 5000 per month were to be paid to them according to the contract signed, they had not been paid for 6-7 months; these may be isolated instances, but ones that need to be looked at in terms of the engagement SRSP has with the communities. SRSP transfers the salary for the whole year in lump sum to the VO account; there is however evidence that suggests that this amount does not get transferred to the CEW as per contract. The CEW pays for transport to the bank and back and also regularly visits the beneficiaries to recover loans for recovery. After recovering Rs. 30,000 the CEW also gets a commission of Rs 3,000 which works out as a 10% recovery reward which is an added incentive.

In another case of Battagram, the CEW received her salary for the first year and after that she was told that the office was short of funds and she would be paid once funds were available. There are two issues to be addressed here. The first is to have transparent communication with the communities. If the project has run out of funds and awaiting further funds from the government or other donors, the CEWs and other community activists need to be informed of this. The danger is that the CEWs will continue

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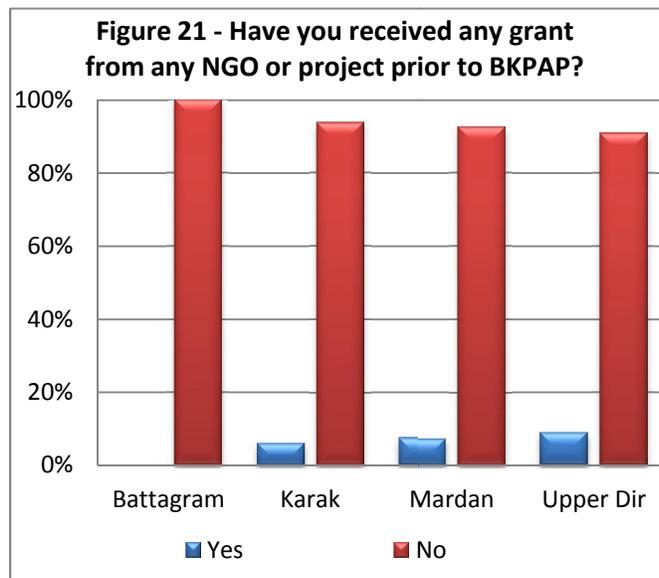
working and then demand back dated salaries which will be difficult for SRSP to meet. The second issue is that of clear terms of engagement and incorporating sustainability aspects through strong motivation. The CEWs may not be willing to work to recover/revolve the funds after some time, causing defaults and leakages for recovery of dues as per contract.

Duration for processing was an issue that emerged frequently. Whereas SRSP has made the communities responsible for their funds while maintaining oversight, final approval for loans comes from the distant and removed SRSP Head Office in Peshawar. The poor in the villages can often not plan their income or expense streams and require funds at short notice to meet time bound requirements of purchasing seed, fertilizer before the rain or pesticide when the weather is clear. This may be a reason why communities have complained of delays. There is therefore a need for SRSP to gradually transfer the responsibility of the community decisions to them. Overall, the key issues highlighted with the loans are represented in figure 20. The primary disincentive to take loans from the community fund was the interest rates were too high (according to 56%), with 20% claiming that the terms for repayment were too stiff.



Effectiveness

The targeting strategy resulted in the accurate identification of the poorest amongst communities. SRSP conducted a Poverty Scorecard survey in the target areas prior to introducing the programme and set clear ranges after identifying individuals in communities. This minimized the possibility of hijack by the more influential members of the community. This is true from the secondary data available as well as from the perceptions of the community members, who reported 100% correct targeting of the programme. Also, Less than 10% of the BKPAP beneficiaries in Karak, Mardan and Upper Dir had ever received a grant from an NGO in the past and at the time of the evaluation there were no other NGOs working in the area covered by BKPAP (see Fig. 21).



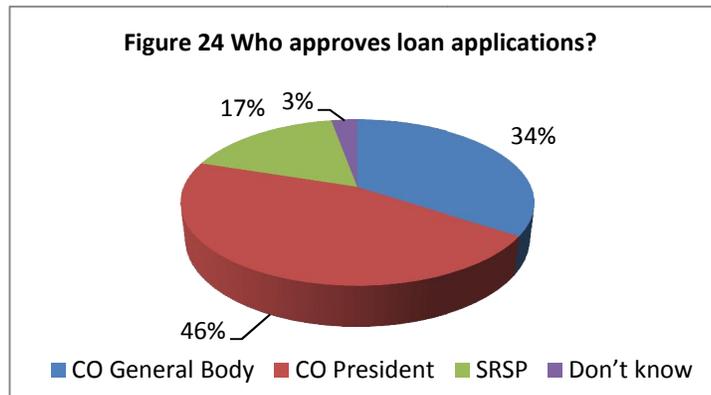
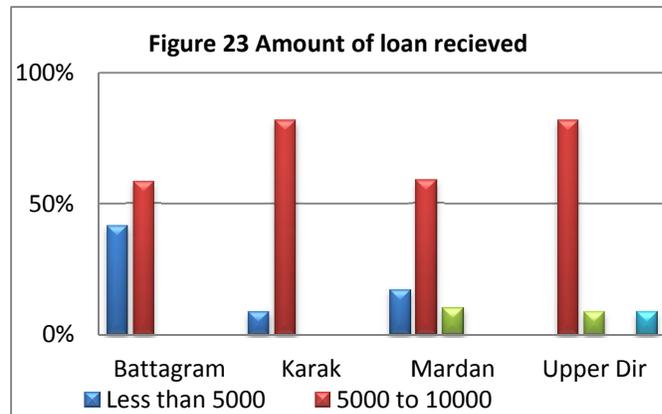
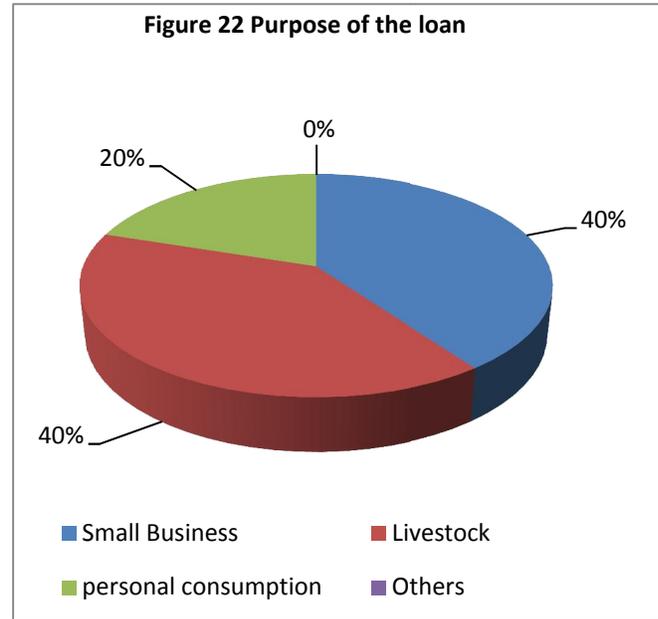
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Most of the loans were for small business and livestock; these accounted for 80% of the portfolio. 20% of the loans were taken as bridge financing to cater for consumption. The small business loans were mainly dominated by small village based general stores (see Fig. 22).

Since there is little diversification of the loan portfolio, there is a need for the supporting organizations to innovate and introduce new skills and trades so that there is lesser crowding out of businesses by most people investing in the same type of businesses. Business also constituted purchase of sewing machines. A Rapid Market Assessment needs to be conducted to assess the potential for new businesses. Some loans for women did show innovation like establishing beauty parlors and scaling up the sewing and stitching business to cater for school uniforms.

The population group at the lowest rung (i.e. with a poverty score of 0-11) were entitled to Rs. 5,000 as an Income Generating Grant, those slightly better off in the 12-18 range received Rs. 10,000 under the Community Infrastructure Fund and those with a score of 19-23 received Rs. 15,000 as Micro credit. These limits need to be rationalized and should be ideally based on the purpose of the loan rather than fixed according to the poverty score with the poorest receiving the least to be able to break out of poverty. 81% of the respondents felt that the grant amounts were too low for any productive purpose. The graph below shows that 60% to 80% people received a loan of Rs 5,000 to Rs 10,000 (see Fig.23). This indicates that the targeting was correct, however the loan size was too low for any significant productive purpose.

At a FGD in Karak, the CEW stated that SRSP determines the period of the loan which at times is not feasible for the borrowers. 50% to 75% respondents of FGDs said that the CO decided on the loan applications (see Fig.24). The role of SRSP was therefore not seen as one of oversight or verification, but that of actual approval. SRSP on the other hand viewed itself as playing a supporting role, with the mandate of maintaining oversight.



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Field consultations also suggest that loan mechanisms were not fully understood by 50% -75% of the respondents. This was the primary cause quoted for not having taken a repeat grant (see Fig. 25). This was further corroborated in the various FGDs held with the various beneficiaries.

If there are issues in recovery, the borrower is given a time extension; in chronic cases the loan is written off after mutual consultation between SRSP and the VO. However, the amount written off is not reflected in the data shared by SRSP and loan recovery stands at 100%. Over time this practice would clearly lead to incorrect data on the health of the micro-credit program and a sudden or unexpected depletion of the resources. As a best practice all loan write offs and loan losses should be reported.

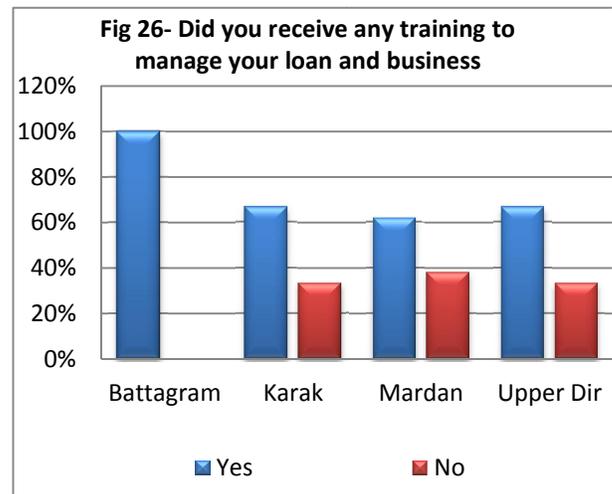
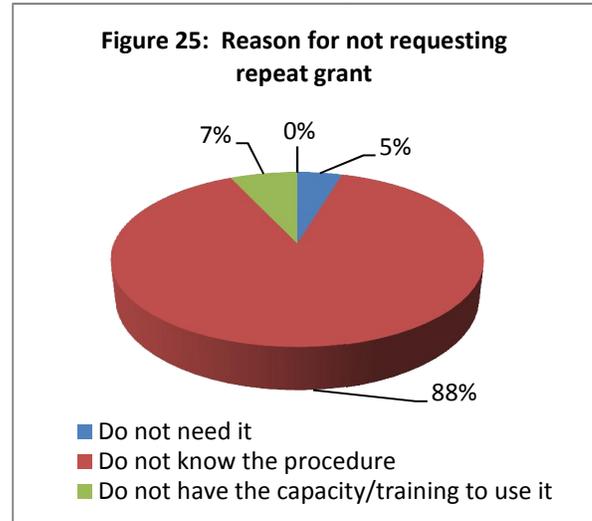
Overall it was found that there was no linkage between the Technical and Managerial Training with the income generation grant. Figure 26 shows the percentage of micro-credit beneficiaries who received trainings. An example is that of Muhammad Ghani Kalay in Mardan where the managerial training was provided after IGG was extended. The SRSP HRD section may need to better align its annual/quarterly program activities to correspond with priority program tasks.

Community members do and have been taking informal loans within the communities prior to BKPAP. Demand has been the highest in the poorest districts. The typical purposes of loan are 57% cattle and 32% small businesses – a trend similar to that of SRSP. 93% of the respondents said that the loans had been repaid; and 100% on time.

The BKPAP has therefore followed this trend which is demand based; however it could be argued that new avenues were not explored that could have higher value addition and therefore bring greater returns for the communities. Since the support provided was a grant to the communities by the government of KP through SRSP as an intermediary, a reasonable level of risk could have been taken.

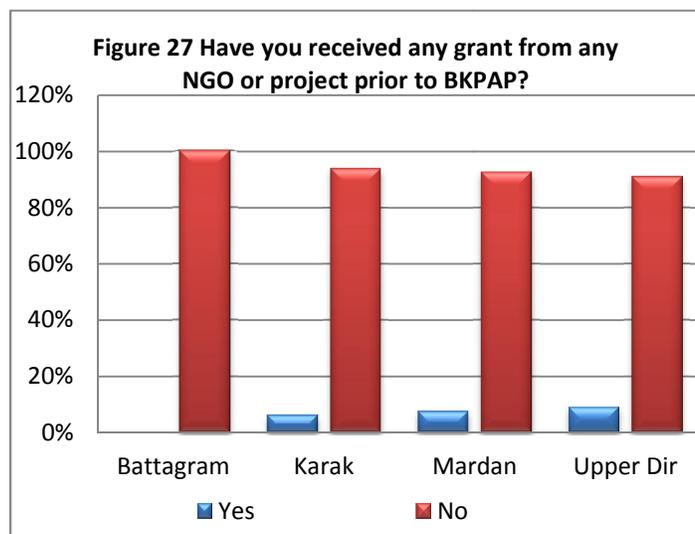
Impacts

In terms of impacts, the programme provided immediate access to funds for productive and consumption purposes to the poorest population groups. Bulk of this group had not accessed any funds to increase their incomes and break out of the poverty cycle.



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Discussions with HBL and other financial institutions suggest that their terms are invariably excessive for small loans and it is not worthwhile for community members to borrow against their savings. Financial institutions also require pledges of tangible assets to enhance loan amounts which is clearly beyond the means of the poorer segments.



The analysis also shows that a majority of the population in all the districts have not accessed any form of financial assistance for productive purposes. Mardan and Karak show some borrowing however this is not high enough to be significant in the overall analysis (see Fig. 27)

Immediate Impacts as mentioned by the community members themselves are Financial Stability, High Self-esteem, Economic Independence, Better opportunities and greater Self Confidence.

One aspect of the strategy was to provide loans only to women members of the household and the men could benefit through a loan application by the female members of the family. This aspect of the strategy was borrowed from the Sindh Rural Support Programme and Andhra Pradesh in India. However its suitability to the context of the KP province is questionable.

Gender equity is about equity between men and women. Therefore exclusivity for either men or women would by definition not be equitable or equal. Whereas the argument that women are better at repaying loans holds in this case judging from the high repayment rates, there may be a danger of backlash in the conservative and volatile KP province. Besides, the PC-I does not single out beneficiaries by gender; this strategy was reportedly decided upon by the SRSP Board of Directors, at which there is government representation.

Exclusivity has also taken the form of loan types being broken up by the level of poverty. The poorer members received lower amounts whereas those who belong to a higher income bracket receive higher amounts of loan. An argument is made that the poor have a lower propensity to invest and repay. However this argument is questionable, since the poor, it may be argued need more support to break out of the cycle of poverty crossing social barriers also. A village shop or a buffalo costs as much for the poor as it does for the better off. Therefore this strategy was found to be in conflict with SRSP's mission as well as the essence of the project and is an area for improvement in the next phase, with a consideration for the pendulum to swing the other way.

Table 11

Type	Amount	Poverty Score
IGG	5,000	0-11
CIF	10,000	11-18
MC	15,000	18-24

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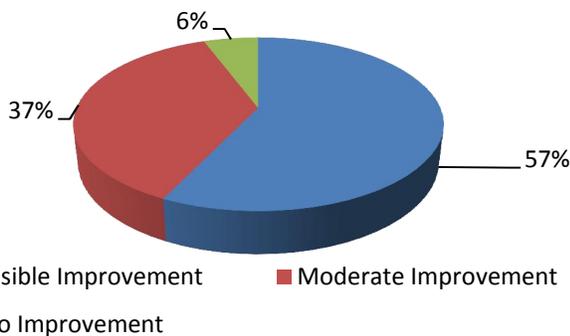
Loan processing fee is also uniform for all groups @ Rs 300. And a 10% service fee is charged for services of the Credit Extension Worker. On proportionate basis since this amount is fixed and the poor have a lower threshold of borrowing, the effect of these charges is higher for the poor.

Furthermore, these different types because they were mentioned in the PC-I and not followed in essence, have tended to create confusion amongst the communities. For example in Battagram communities could not differentiate between the three types of loans. From the point of view of the community the lower amount is for the poor and the better off you are the more you can borrow – this does not send out the right message of poverty alleviation. Since there are different types of loans, SRSP decides who gets the grant and under which head.

This bifurcation of loan types, corresponding amounts to these loan type and uniform charges across the board for all borrowers needs to be rationalized. During FGDs, communities also demanded higher CIF amounts since the amounts being provided were insufficient for productive purposes and were just a token of help. Communities often needed to top up the loan amounts – for example a buffalo costs more than Rs 80,000 and many of the loans are for buffaloes.

A reduction in the 10% processing fee was also demanded by the communities. A variable fee for poor and better off would be more equitable and cater for this demand. Furthermore, the loan amounts for the poorest need to be reconsidered and linked with technical training and closer facilitation.

Figure 28 Has there been any improvement in your individual/HH income?



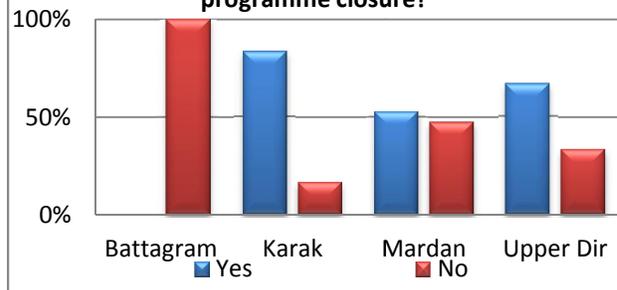
When asked to comment on the improvements in individual/household incomes, 57% reported a visible improvement in their household income, while 37% reported a moderate increase in income. Altogether the increase was 94% (see Fig 28). When asked about how this increase is used, a majority of the respondents said that they used this income to supplement their household expenses, implying an improvement in their levels of income as envisaged as an impact of the programme in the PC-I. The second highest response was that the additional income was used to expand the business, thus making

it sustainable.

Sustainability

Sustainability as defined under the BKPAP refers to the sustainability of the revolving funds within the communities. The IGG component of the project was not designed to be sustainable from the perspective of an NGO led conventional microfinance programme where the loan loss, transaction costs, inflation are all covered as part of the service charges. Therefore sustainability of the programme has been analyzed from this

Figure 29 - Do you know that the funds will revolve within the community after the programme closure?



perspective.

A high 54% of the respondents stated that they did not know that the IGG would revolve within the communities after the project came to an end. This indicates that a withdrawal strategy was not chalked out from the outset of the programme (See Fig. 29). This may have been partly because SRSP commits itself to communities on a longer term basis and partly because SRSP was confident of the programme continuing into another phase.

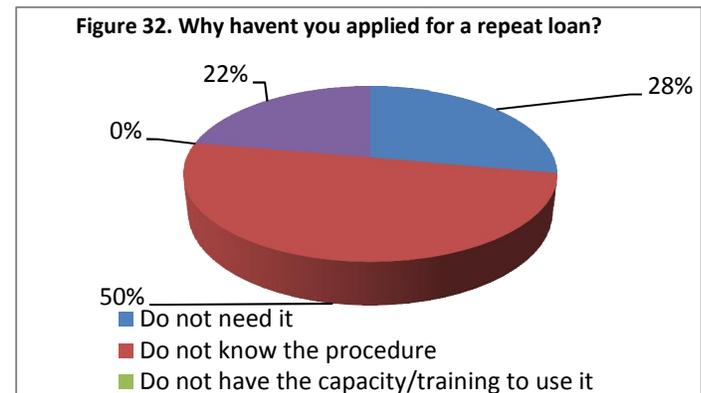
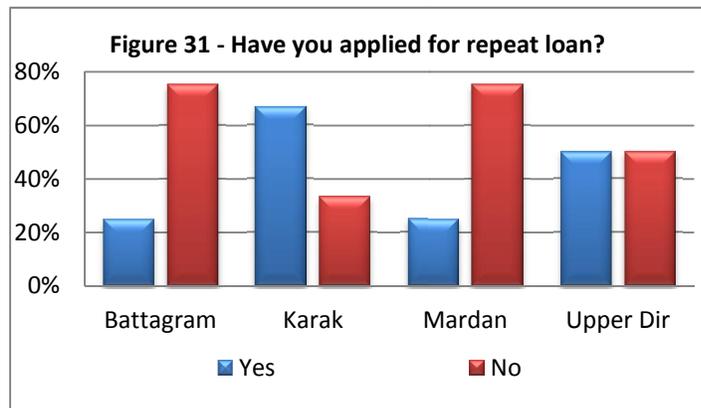
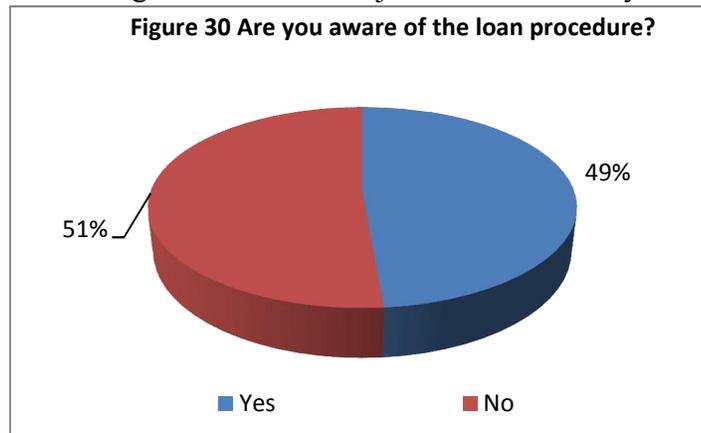
On the other hand, informing communities about withdrawal from the outset could have negative impacts on the programme as communities may take a short term view of the partnership or show reluctance in taking charge of their development themselves. Nevertheless, the revolving of loans within communities should have been made widely clear because organizations and programmes do not sustain however communities do. This clarity would also have mitigated the risk of hijack of the funds by few influential or borrowers themselves if there is lack of wider clarity in the community.

Likewise nearly half or 51% of the community members were not aware of the loan procedure at the end of the programme (see Fig. 30). This can partly be attributed to the fact that there were many lending windows and the communities were handheld by the CEWs and SRSP. Therefore the knowledge about the loan procedure was not clear to the communities. This also reflects on the capacity of SRSP staff in the field and the target oriented vs. process oriented approach of the programme.

Nearly half the respondents had not applied for repeat loans (see Fig 31). This could be partly due to lack of understanding of the procedures. However Repeat loans are an important indicator of the sustainability of the programme whereby borrowers who have successfully returned the loans are incentivized with repeat loans for expanding their businesses and demonstrating to others the advantages of the CIF programme.

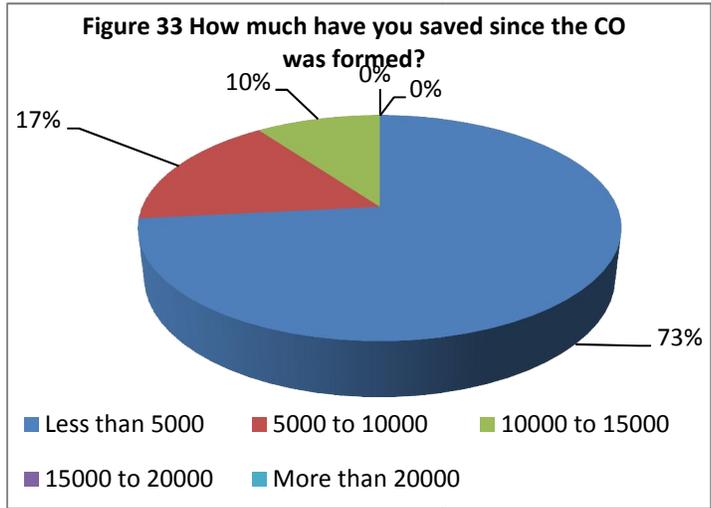
Triangulating this result with why people have not applied for repeat loans, shows that 50% did not know the procedure which is significant from a sustainability perspective.

Another key indicator of sustainability is the savings of the communities. Whether the savings account is the true community saving or a token

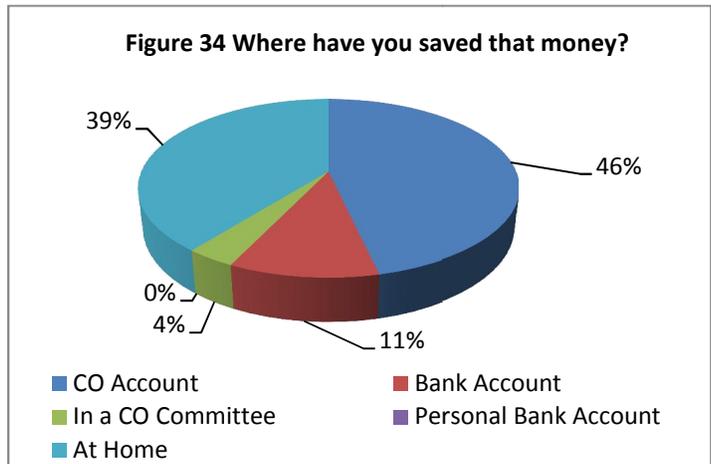


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that they contribute towards the terms of partnership signed with SRSP to be able to access benefits under the programme. This has been an on-going debate across RSPs for decades. What is important here is that communities do save. They keep their true and actual savings with themselves for ease of withdrawal at times of emergencies and also not to disclose their wealth to others. A significant response to note is that these additional savings were made after the CO was formed, thus inculcating a habit of savings in the communities. Since BKPAP was targeting the lowest income groups, their propensity to save is also low therefore 73% of the respondents said that they saved less than Rs 5000 since the CO was formed under BKPAP funding; another 17% said that they had saved between Rs 5,000 to Rs 10,000 (see Fig. 33) which can also be attributed to the increase in incomes through employment and self-employment generation under the programme.



An encouraging 46% respondents said that they saved in the CO account whereas 39% said they kept their savings at home. Another 11% said that they saved in a bank (see Fig. 34). Traditionally people in rural and urban areas save in committees whereby one individual at the end of each cycle has a large number of funds available to them. This serves to help assess the purpose of the savings, whether community based or personal.



During the survey and FGDs almost all communities reported significant increases in income. Several factors reportedly contributed towards improving the quality of life – CIF/IGGs, Technical Training as well as Micro Health Insurance.

The approved PC-1 also emphasizes the need to “Improve responsiveness of the relevant agencies to the local priorities/needs through enhanced communication and strengthened linkages amongst key stakeholders”. However, this was found to be a weak link in the programme, especially since there are no government agencies working in the area of micro-finance.

Financially, this approach is not sustainable beyond the life of this project unless measures are taken to protect the principal amount as well as transaction costs. Inflationary pressures have brought down the value of money and with disbursements around 1 to 1.5 years old, it is premature to pass judgment on whether the VOs will continue to revolve the funds once other activities come to a close and expectations of another phase of the project through SRSP diminish.

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The Village Banking model or equity based profit sharing Islamic finance models need to be introduced so that the value of money is not eroded over time. Furthermore, the programme should generate sufficient funds to cater for transaction costs and loan losses.

The Government of KP also provided Rs. 1 Billion to the Bank of Khyber for a KhpalRozgar (Own Livelihood) scheme, 40% of which has been allocated as costs to deliver the programme. The SRSP Village Banking Model could benefit from such a government initiative. SRSP has however provided a list of its trainees having received skill training to the BoK; this level of interaction and integration between government funded projects should become an area of focus in the years to come.

Meanwhile the PPAF has expressed some interest in taking over some of the VOs for an upcoming program (in Mardan and possibly elsewhere), however, it is pre-mature to draw on any conclusions. Till alternative support systems arrive, the VOs will have to continue working on their own and rely on the capacities acquired during the BKPAP process.

On external fronts, clerics and local elders were not initially happy with the interventions and design of the programme initially. However through increased social mobilization and demonstration they all appreciated the programme. This is important for continuity of the vision and processes introduced by SRSP. Field discussions also point to the presence of religious extremists and terrorists in many program areas. This is a risk factor that is beyond the control of SRSP, however a robust security plan needs to be in place to protect against future risks to field staff.

5.2 Natural Resource Management

The rural communities in Pakistan are significantly dependent on income from management of their available natural resources that include land, water, livestock, forest and rangelands. The natural resource management has now been seen in its multiple roles like contributing to development as an economic activity, source of livelihood, provider of environmental services and a unique instrument in overall development. As an economic activity, it is a source of growth for national economy, food security, foreign exchange as well as provider of investment opportunities for agro-based industries and rural non-farm economy. As source of livelihood, it provides jobs to majority of the people, especially the small holders, landless and the poor. For example, agriculture has well established record as an instrument for poverty reduction as well as a leading sector for overall growth in the agriculture-based countries of the world (World Bank, 2007). Based on the sample surveyed, the following table (Table 12) shows the landholding situation of the targeted beneficiaries of the districts in question:

Table 12

	Battagram	Karak	Mardan	Upper Dir	Total
Own	83%	42%	45%	83%	56%
Lease	0%	0%	10%	0%	5%
Brakha	17%	50%	21%	8%	23%
No	0%	8%	24%	8%	15%
Total	100%	100%	100%	100%	100%

Source: HHs survey by AiD

The livestock sector also plays a vital role in the economies of many developing countries. It contributes food, or more specifically animal protein in human diets, income, employment and possibly foreign exchange. For low income producers, livestock also serve as a store of wealth; provide draught power and organic fertiliser for crop production and a means of transport. Consumption of livestock and livestock products in the developing countries like Pakistan, though starting from a low base, is growing rapidly. Based on the sample survey, the various sources of income in four target districts are shown in the table below. Unsurprisingly farming (51%) followed by daily-wage labour (at 28%) have been identified as the two largest income sources. Salaries income (14%) and livestock (4%) are the other modest sources reported by the targeted sample.

Table 13

	Battagram	Karak	Mardan	Upper Dir	Total
Farming	53%	32%	63%	39%	51%
Livestock /Poultry	7%	0%	7%	0%	4%
Business	7%	0%	0%	6%	2%
Daily Wage labour	20%	32%	26%	39%	28%
Salaried Income	13%	32%	5%	17%	14%
Others	0%	5%	0%	0%	1%
Total	100%	100%	100%	100%	100%

Source: HHs survey by AiD

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In view of a predominantly agriculture based economy, the focus on improvement in the Natural Resource Management for poverty alleviation was well placed and entirely relevant. Accordingly, the program document (i.e. the PC-1) set out the following Key Performance Indicators (KPIs) for the program.

- Percent adoption rate amongst farmers and number of farmers;
- Reported increase in yield;
- Shift from subsistence agriculture to improved low cost and productive technologies;
- Number of poor farmers reporting sufficient water availability;
- Farmland leveled in ha, area under cultivation in ha, length of rural paths, access roads/FMRs in Km;
- Percent of farmers with improved food security and reduction in post-harvest loses; and
- Percentage use of improved seeds and low cost technologies by farmers.

In addition, the following component results were also outlined.

- Increased use of improved seeds and fertilizers; improved farm practices and introduction of Agri-based low cost technologies;
- Improvement of Animal/poultry breed and increased agriculture and livestock productivity;
- Sector specific research studies conducted strengthening SRSP knowledge base; and
- Number of Progress reports case studies based on gender disaggregated data.

As the program rolled out, need based NRM package comprising of provision of improved seeds, fertilizers, equipment, extension services and developing demonstration plots were delivered to small farmers to enhance the productivity of their available natural resources. This was designed to increase the income of small farmers; strengthen their coping mechanism to external shocks as well as improve and diversify land productivity. The development of NRM sector plan included the best practices of SRSP in mountainous and arid zones to enhance effectiveness of the development package. More specifically, the following sub-components were implemented.

5.2.1 NRM Demonstration Plots

For sustainable use of land resources in all seasons, off season vegetable production and field crops production technologies were demonstrated by establishing demo plots in all selected four districts. The idea behind this was to provide poor farmers with different options to enhance their land productivity that could enhance their income in improving their livelihoods. These plots were cultivated under the supervision and technical guidance of Agriculture Research Officers in respective districts.

5.2.2 Agriculture Extension Workers trainings

Food security has emerged as one of growing issues in selected districts. The local subsistence practices of production and consumption with considerable wastage is the norm. To overcome these issues and to

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introduce improved practices, the programme arranged trainings for communities to act as agriculture extension workers. Some basic knowledge about agriculture of trainees was a pre requisite for selection of trainees for these events. The basic objective of these trainings were to improve farm practices with a focus on enhancing per acre yield of food grains and the provision of skills for the production, harvesting, storage and marketing of the different crops at local levels.

5.2.3 Livestock Extension Workers Training

Livestock in rural areas is not only valued because of its utility, but in difficult circumstances, this asset is used as a coping mechanism to save the family from external shocks, which can drag them into poverty. Except for Mardan, the programme target area is characterized by limited production of crop due to non-availability of land and adverse conditions, e.g. water availability, flash floods and soil erosion. Thus livestock is highly valued and protected, even if veterinary services are available at a high cost. To overcome this issue, the project planned to carry out Livestock Extension Workers (LEW) training for selected community members. Thus an effort has been made to create a local service cadre for offering door step services to needy livestock holders with prospects for income generation and a sustained local support.

5.2.4 Poultry Extension Workers Training

Selected women in the target areas were trained and provided financial support as poultry extension workers. The common diseases, diagnosis and remedial measures were all part training contents of these events.

5.2.5 Vaccination and De-worming campaigns

These activities were carried out throughout the programme period, two times a year, particularly at that time, when animals are prone to high mortality rates. For example, this applies to foot-and-mouth disease among the large ruminants, and combating internal and external parasites. In addition to the above mentioned activities, need based activities e.g. NRM based enterprise development (bee keeping and other indigenous enterprises) or any other activity prioritised by the respective communities were also made part of the work-plans and presented at districts and PSC levels.

The Programme had planned its cumulative and annual targets with regard to major interventions and beneficiaries. After completion of programme, the following achievements have been reported:

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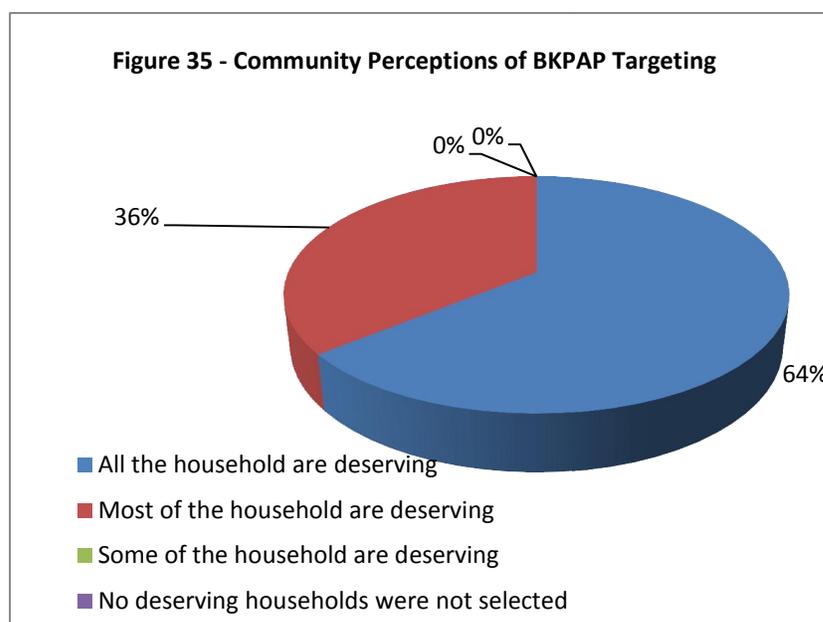
Table 14

Activity	Targets As per PC-1	Achiev. Mardan	Achiev. in Upper Dir	Achiev. in Battagram	Achiev. in Karak	Aggregate Achiev.	%age Achievement
NRM Research & Demonstration (R&D)	1,840	952	459	199	223	1,832	100
Agriculture Extension Workers Trainings (AEW)	1,200	651	252	199	180	1,285	107
Livestock Extension Workers Trainings (LSEW)	1,200	669	252	200	180	1,303	109
Poultry Extension Workers Trainings (PEW)	3,600	1,643	713	485	550	3,292	91
Productive income trainings NRM	800	455	226	100	100	921	115
Distribution of Improved Seed, fertilizer to poor farmers	8,080	3,806	1,520	731	617	6,676	83
Vaccination & De-worming Campaigns	60,000	38,043	16,511	9,200	9000	72754	

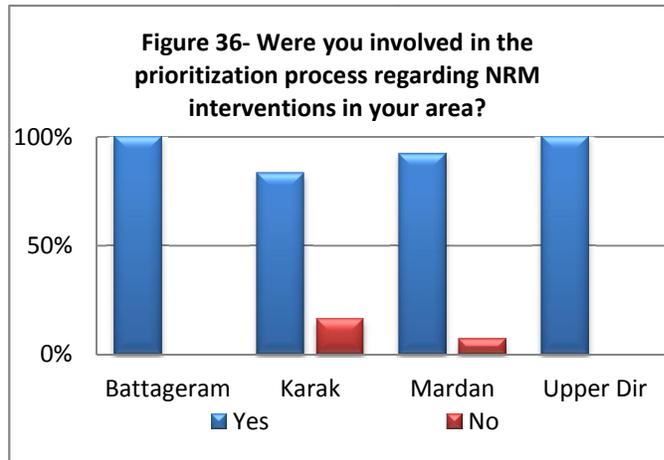
Technical Assessment of NRM component

The scorecard used for the selection of the deserving households has been widely used by the BISP and Rural Support Programmes (RSPs) throughout the country with an endorsement by the World Bank. Accordingly all beneficiaries of the NRM component were also targeted on the basis of this approach.

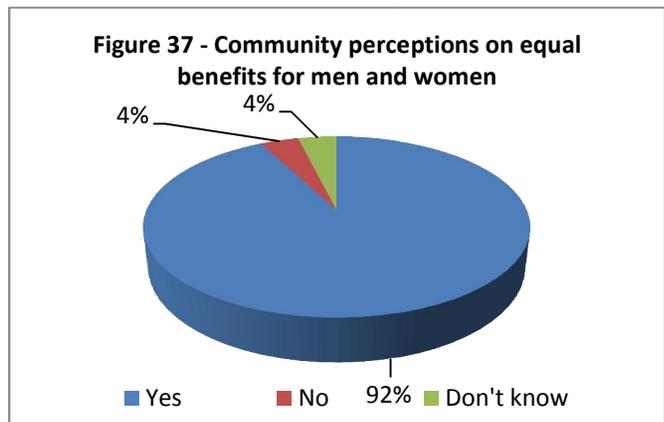
The beneficiary sample reviewed by the evaluation team suggests a high level of satisfaction with the project targeting. Nearly 64% of the respondents indicated that “all of the selected households were deserving” while another 36 % stated that most of the targeted HHs were deserving (see Fig. 35).



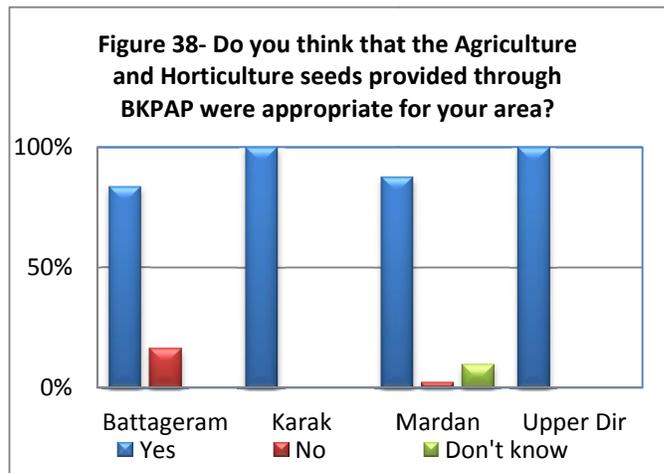
The BKPAP was a community centered programe and all the activites were planned to be delivered with the involvement of poor communities through the designated Community Organization. The sample review shows that a very high 93% of the resondents indicated active involvement in identification and prioritization of NRM interventions. The district break down of repsonses show that a relatively insignificant number in Karak and Mardan showed lack of involvement (See Fig. 36).



The assessment shows that both male and female community members were involved in project processes which has led to a reasonably high level of ownership. Questions on gender balance also led to a resoundingly positive feedback. Both male and female community members participated in various agriculture, livestock and poultry production activities. Some of the activities were clearly more focused on women, for instance, kitchen gardening and backyard poultry production were focused on female community members. Similarly, many female members were also provided trainings on mushroom culture, etc. However, both male and female segments equally benefited from such activities, directly or indirectly. The sample response highlights that a high 92 % of the respondents across the targeted districts showed satisfaction with the gender balanced program (see Fig 37).

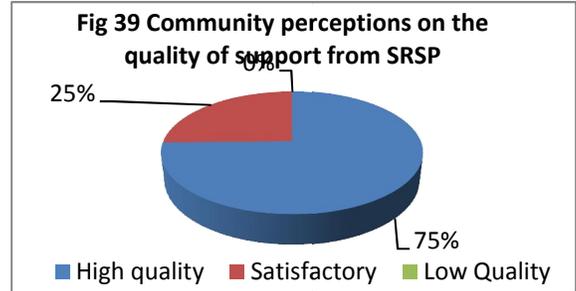


The BKPAP provided a need based package comprising of provision of improved seeds, fertilizers, equipment, extension services and demonstration plots to help introduce new seeds, facilitate new cropping patterns and technologies, enhance the land productivity and eventually household incomes. A high 91% of the respondents felt that the NRM inputs and technologies provided by the program were appropriate (see Fig. 38). The interventions contributed in some changes to the traditional cropping pattern and testing the genetically improved hybrid seeds. Thus a modest foundation has been laid for an incremental change from the currently subsistence farming to a market based farming. The program has also facilitated in diversification of crops, for instance in Battagram, the farmers were largely growing cereals crops for their household consumption, however post-BKPAP, the farmers have started cultivation of horticultural crops especially through “Tunnel Farming”.

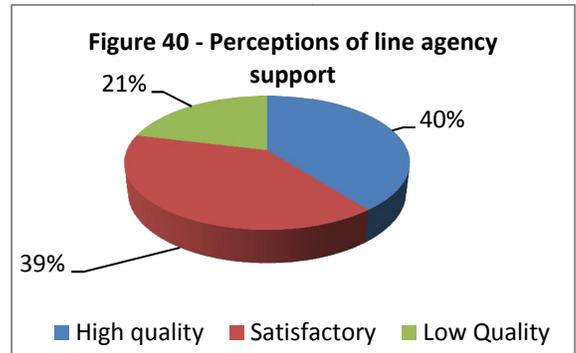


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The project had its implementation tiers from province to district level entrusted with management and technical professionals. The survey shows that nearly 75 % of the respondents appreciated the “High Quality” technical support provided by the SRSP (see Fig 39).

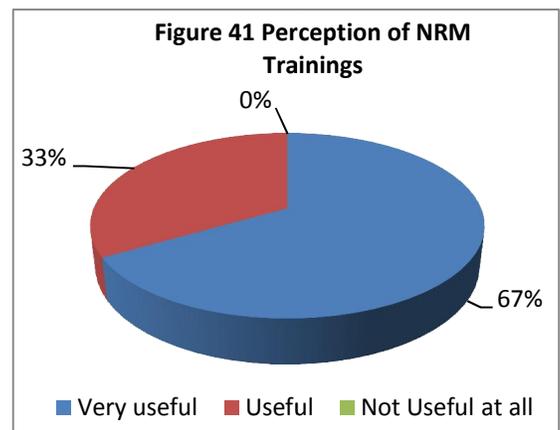


The BKPAP was implemented in partnership with the Public sector departments and SRSP. The district Agriculture and Livestock Department were involved to provide the technical support to farming communities during planning and implementation of the various NRM interventions in the four districts. Nearly 40% of the respondents expressed high levels of satisfaction with the role and quality of support from the line agencies; another 39 % felt that the quality of support was satisfactory while 21 % were unhappy with the level and quality of support (see Fig 40). Dir district was rated as the weakest in terms of support from the line agencies. Probably a reflection of the weak public sector capacities at the district levels, particularly in the Agriculture and Livestock departments. Future programs could perhaps allow for some capacity building interventions for the partner agencies engaged in program delivery.



The Key Informant Interviews also suggest that the district line agencies used the program opportunity to transfer their knowledge to small farmers during the training of extension workers and the vaccination and de-worming campaigns. Some of the small farmers also reported linkages with line departments and the prospect of continued technical support after the program life. The district departments also provided agriculture machinery on a need basis, and usually on cheaper rates. However in most districts they had a rather limited role in planning, review and overall management. Annual plans prepared by the SRSP teams were typically endorsed each year and implemented without significant changes.

A large number of farmers were trained under the program. The objectives of these trainings were to upgrade the technical skills of the beneficiaries and enhance the productivity and incomes from the available natural resources. Trainings were largely organized with the assistance of the respective Agriculture Departments. These trainings were planned to develop Agriculture Extension Workers from the concerned communities to further provide the technical inputs to farmers in their respective areas. Despite the state of literacy and the relatively short duration of such trainings, an overwhelming 100 % of the respondents stated that the trainings were “Useful” or “Very Useful”, which shows the importance and significance of such modest interventions at the grass roots (see Fig. 41).

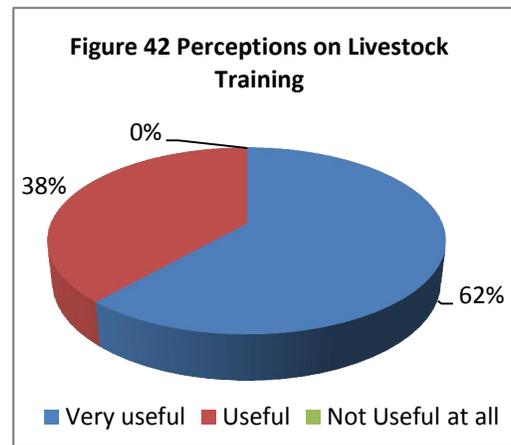


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Based on additional feedback received during the key informant interviews, the training program has been a resounding success. This has upgraded the skills on agriculture technologies and over time will enhance the productivity and incomes from available lands and livestock. The BKPAP trainees are likely to work as Resource Persons in the area and continue to contribute beyond the project life. The review has also identified some issues in the selection of trainees in some districts where some irrelevant trainees were identified. This can be mitigated through a clearer selection criteria and its strict enforcement.

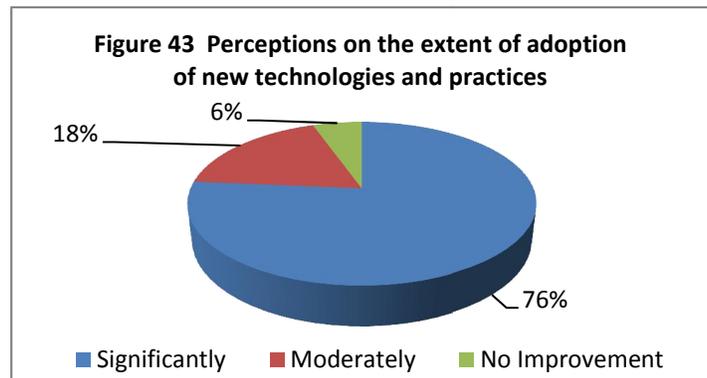
It appears that BKPAP resources also helped leverage available capacities in the line agencies. Many of the sector heads at the district levels reported that without the project support they would not have been able to reach out to the small farmers. Quite clearly annual allocations for recurring budgets are very low and typically non-existent in most of the line agencies, particularly in the Agri/Livestock departments. Therefore despite the available technical capacities, annual outreach is very limited and largely confined to a few large farmers. The BKPAP support was therefore very useful in extending the scope as well as the outreach to the poorer farmers.

A large number of farmers were also trained on livestock technologies. The objective of these trainings was to upgrade the technical skills of the small farmers to enhance the livestock production and income of small farmers. Trainings were conducted with the help of the concerned Livestock Department. These trainings were planned to develop Livestock Extension Workers to further provide the technical inputs to farmers in their respective areas. Again, virtually all of the respondents noted the trainings to be useful or very useful, thus highlighting the significance and utility of a rather modest program (see Fig. 42).



Discussions with community groups show that a large percentage of the farmers are utilizing the trainings (70%); many reported that their knowledge base has improved, particularly on improved breeds; skills have been upgraded; and the productivity of livestock has enhanced. The KIIs also endorsed the usefulness of these trainings and highlighted the lasting effects on livestock production and income in the area. Much like the agriculture department, local functionaries of the LS&DD department also noted that the BKPAP afforded an opportunity to enhance their outreach to the smaller farmers which was otherwise not possible under their annual development programs. Local farmers noted that due to the training program, the mortality rate of livestock has been reduced by up to 70%, while milk production has increased by up to 20-30%. The trainings of Poultry production was exclusively conducted for female community participation and provided them an opportunity to take part in development activities.

The objectives of NRM packages were to improve the productivity of available resources and prevent the post-harvest losses. It was planned through different trainings of

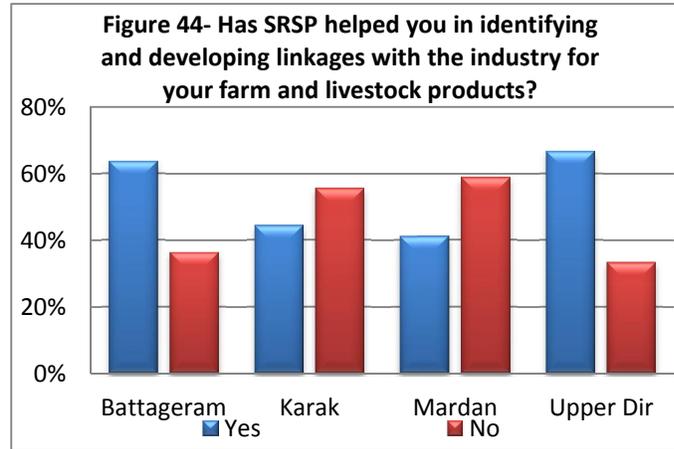


community members and demonstration of improved technologies about handling and storage of crops’ harvest. Field survey shows that 76% of the beneficiaries noted “Significant” improvement in the post-harvest care of crop produce, while 18% noted “moderate” improvements in post-harvest care. A modest 6% noted no improvements (see Fig. 33). The Key Informant Interviews and Focus Group Discussions also endorsed that farmers are now taking better care of the produce post-harvest, and are able to reduce losses.

The NRM component had also planned to improve the marketing skills of small farmers to earn maximum profit from their produce. Many farmers make efforts during the production phase, but have no skills to market with value chain promotion approach. They also lack in linkages with big markets for marketing of their produce. The review shows some improvements on this front as roughly half the respondents noted “significant” improvements in the marketing skills; while another 32 % noted “moderate” improvement in the marketing skills of farmers.

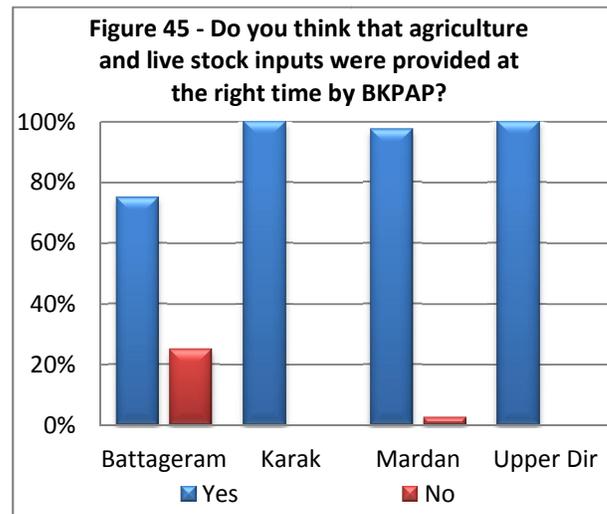
Linkages

Respondents across all districts were generally not too happy with the project efforts on building market linkages. Nearly 50 % of the farmers indicated that SRSP has not been very helpful in identifying and developing linkages with industry and markets (see Fig. 44). And that this should receive greater attention during the next phase. Marketing with collective efforts of small farmers is likely to reduce their expense as well as demand in the bigger markets thus shifting from the subsistence farming to a market based approach with greater returns.



Timeliness

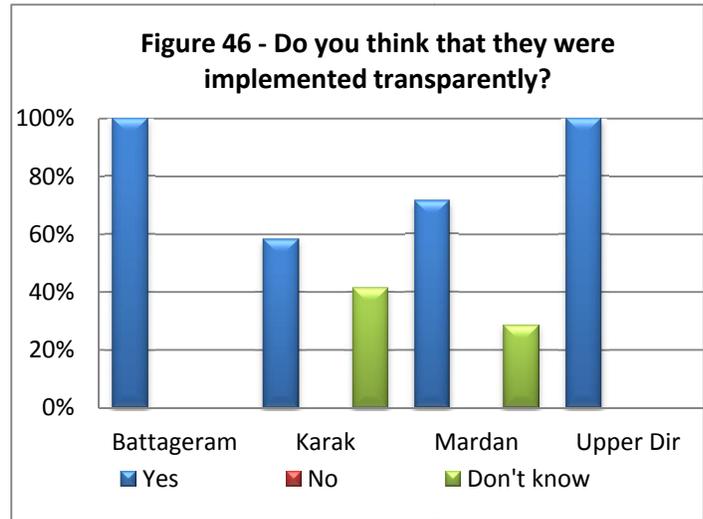
NRM interventions are season bound and the timing of various inputs such as the provision of seed, fertilizer, pesticides as well as vaccination and de-worming is critical. The survey shows that an overwhelming 95% of the respondents were happy with the input timing. A relatively modest 5% of the aggregate respondents – mainly in Battagram (22% of the district sample) felt that the timing of BKPAP inputs was off. Perhaps a reflection of the unique needs and environment of the district, or the delay in processing of some inputs (see Fig 45). Discussions with some of the key informants suggested that agriculture inputs for various crops were delayed because of delays in release of funds and the time involved in processing requests through a fairly centralized project system. Inputs for the “Rabi crops” were particularly delayed and occasionally skipped due to non-availability of resources.



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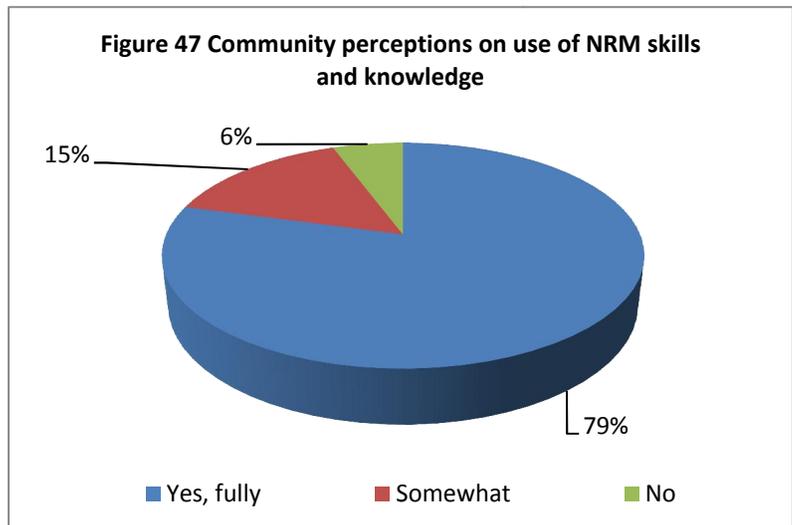
Transparency

The government of KPK and SRSP were working in a partnership to deliver multi-sectoral activities in the selected UCs. A key expectation of this partnership was to deliver project investments to the most needy in a transparent manner and without any political or other considerations. Based on the survey, a majority of beneficiaries were satisfied that the programme was implemented transparently. In District Karak and Mardan about 40% and 25% beneficiaries were unaware and unable to comment (see Fig. 46). The key informants generally endorsed this observation, however some concerns were expressed on the selection of Districts and Union Councils. Program Managers reportedly withstood emerging political pressures by adhering to project protocols and successfully used the Poverty Score Card for continued targetting of deserving beneficiaries.



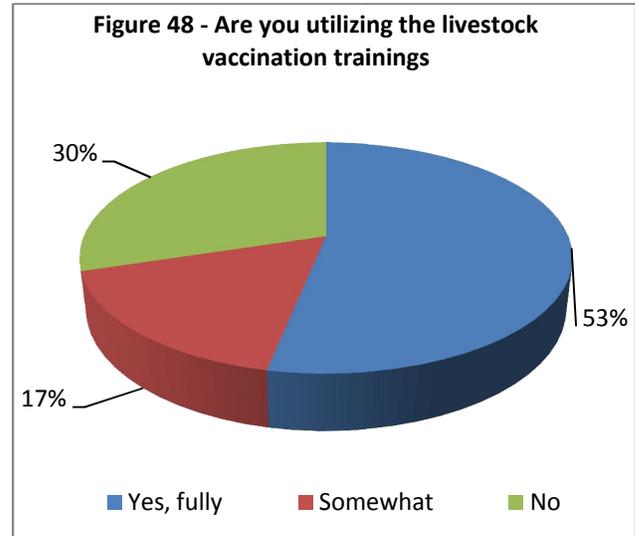
Utilization

The survey also shows that a high 79% of the NRM beneficiaries are “fully utilizing the knowledge and skills” acquired through the BKPAP (see Fig. 47). The trained farmers are now providing the services to other farmers, particularly in the post-harvest care at the village level. This has reduced the losses in crops and livestock management by about 30%. The FGDs and KIIs held at the village levels also noted that several COs are now contacting the district line agencies to tap new information on new crop varieties, agriculture and LS techniques including vaccination and de-worming of livestock.



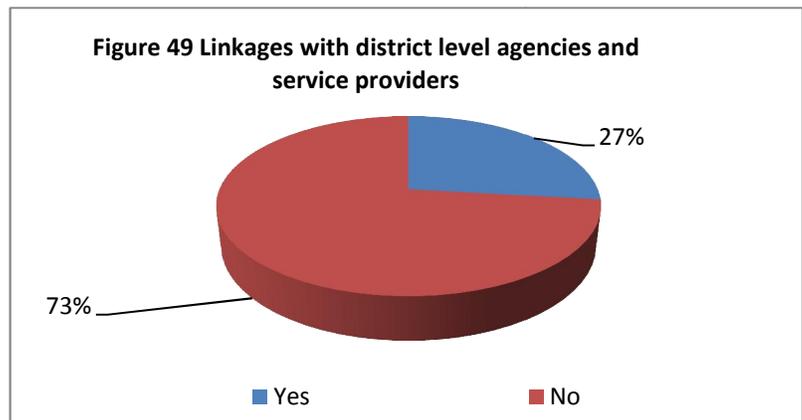
The uptake and utilization of improved knowledge and skills in the livestock sector shows good results although a relatively smaller percentage of respondents indicated full utilization of the knowledge and skills gained. The vaccination and de-worming campaigns for animals demonstrate the best practice to prevent the small and large ruminants from the diseases and worm attacks to avoid epidemics.

The survey shows that about 53% of the beneficiaries are “fully utilizing the vaccination and de-worming training and knowledge after program life”. Another 17 % indicated partial use while 30% stated that they were not utilizing the knowledge and skill sets acquired (see Fig. 48). On the other hand, the KIIs and FGDs suggest that some of the farmers are now accessing the district departments after exposure through the BKPAP. As a result of the vaccination campaigns, diseases such as Intexotemia in small animals and black quarter in large animals have significantly reduced. Similarly, due to de-worming, the incidence of internal leaches and worms, and external lice has also reportedly reduced in animals. Overall, a significant positive impact on livestock production and income of small farmers was reported.

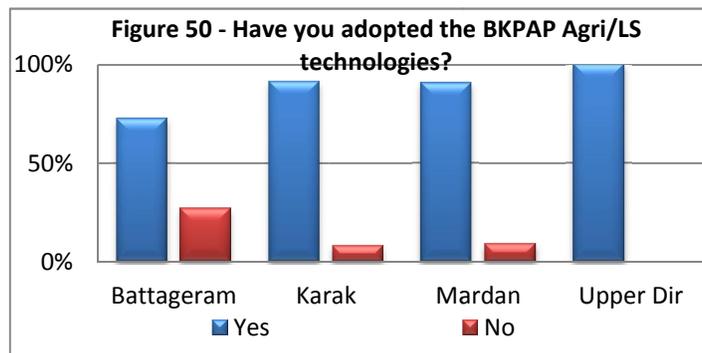


On other fronts, particularly for the females, the BKPAP had delivered poultry management trainings. At the close of trainings, the best egg laying poultry breed, such as Fume and Golden Puff were also granted to trainees to catalyze a small poultly business and improve the poultly breed in the target areas.

The survey shows that nearly half the beneficiaries (55%) were satisfied and also using the skills learnt. The poultry management trainees are also providing basic technical support to their community members, however they are still facing some problems in the vaccination of poultry birds. Village level discussions with the WCO members show that poultry trainings and promotion of improved poutry breeds was well received and quite useful for female community members. They are utilizing this skill and assets for income generation through small scale sale of eggs at the village levels. This has provided an economic activity for their economic and social empowerment. Observing these benefits some of the other female community members are also adopting this approach.



The survey highlights significant gaps in the linkages between farmers and district based line agencies and the service providers. A key objective of the BKPAP was to bridge the gap between the small farmers and concerned line departments during the project life so that services can be sustainably tapped in the longer term. 73 % of the respondents across the target districts show that they have been

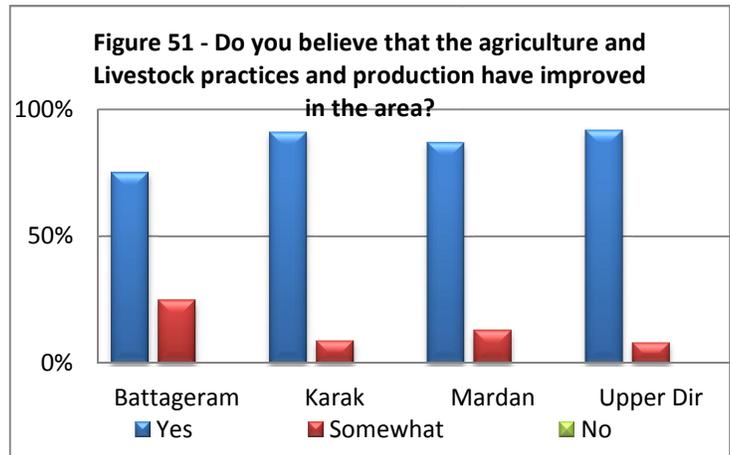


unable to develop any linkages with the concerned departments (see Fig. 49).

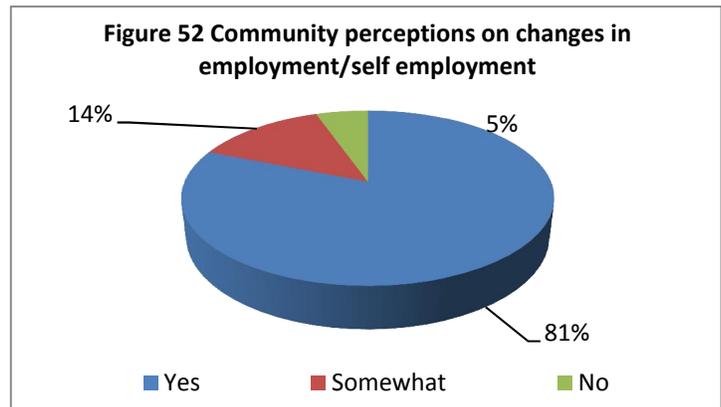
Quite clearly a lot of work lies ahead, including surprisingly, in a relatively developed Mardan and Karak, where a larger percentage of the community was not satisfied with their linkages with departments for future services. In terms of technology adoption, a high 90% of the beneficiaries positively responded to the question on adoption of Agriculture and Livestock technologies (see Fig. 50). The FGDs and KIIs broadly endorsed this observation except relatively smaller interventions such as Cotton production and Quail farming which were not being promoted due to constraints in their marketing and incubation of eggs/chicks problems.

Impacts

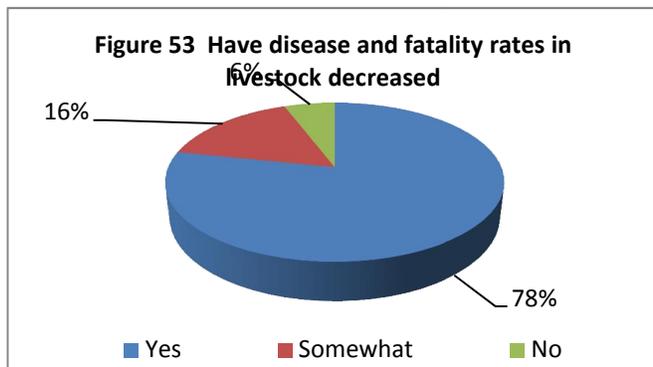
In terms of impacts, a very high 86% of the beneficiaries believe that the “agriculture and livestock production had improved” in the area (see Fig 51). The FGDs and KIIs generally endorsed this observation and also highlighted the enhanced capacities of farmers in crop and livestock production. The field feedback also suggested that losses during crop and livestock production due to disease and pest attack were reduced while improved awareness has also led to fewer post-harvest losses. Overall, a significant positive impact on the incomes of the poor segment of communities was reported.



As of the core objectives, the various interventions in NRM sector was expected to generate new employment opportunities. Based on the sample survey nearly 82% beneficiaries believe that they have witnessed “positive changes in employment/self-employment due to various BKPAP interventions” (see Fig 52). Field discussions also endorse the increase in area under cultivation as well as enhanced yields. Similarly, in livestock and poultry sector the training activities and new breeds of poultry has also helped the un-employed community members, including female members with modest income generating activities.



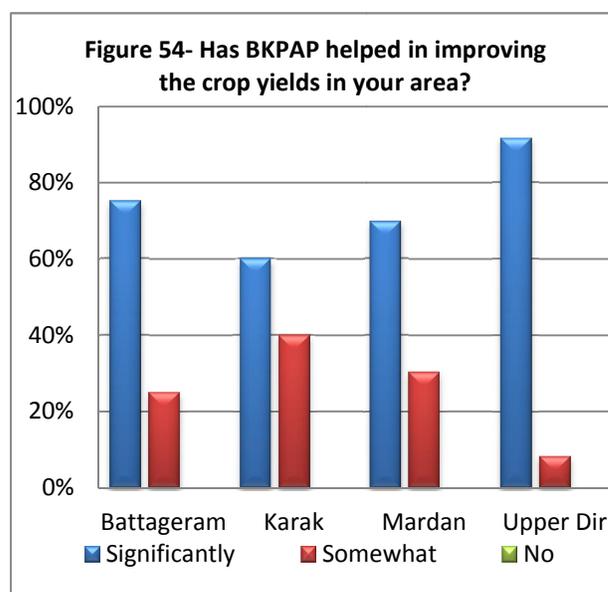
BKPAP also carried out vaccination and deworming activities during the program life. Field reports suggest that this was carried out twice each year with a focus on foot-and-mouth disease among the large ruminants, and



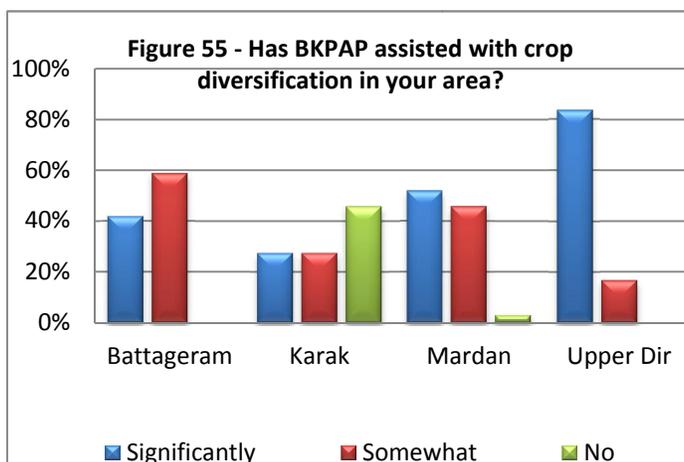
combating internal and external parasites. The objectives of this activity were to promote preventive measures and create resistance among the animals especially during disease epidemic days such as during monsoon time and extreme cold conditions. Again the feedback from beneficiaries was fairly positive as nearly 78% of the respondents stated that the vaccination drives helped the farmers better understand and reduce some of the common diseases (see Fig 53).

The beneficiary survey and various focus group discussions also highlighted the generally positive impact of the NRM component on selected social indicators such as the health of women and children. Improved yields and overall production has augmented household incomes and spending on essential food as well as improved healthcare for women and children. A majority (57%) of the respondents also believed that the NRM component has contributed to some increase in land holding/assets in the program area. However, the FGDs highlighted that a variety of external factors eroded many of the gains. As a result, a far more conservative estimate of the changes in household assets was provided.

Increase in crop yields received considerable attention. Towards this end a variety of demonstrations and trainings were organized, as well as high quality seeds and fertilizers provided to the beneficiary groups. The Agriculture Extension Workers provided technical guidance at village level at the farmer door steps thus ensuring timely assistance. The various interventions apparently created the needed impact as nearly 73% of the sample respondents reported “significant increases in crop yields” (see Fig 54). Some issues were noted in the selection of trainees and identification of beneficiaries for Demo plots and agriculture inputs. As an SOP for future projects, it would certainly help to sign an agreement with beneficiaries of Demo plots and agri inputs that would bond them for distribution of produce in the area as a “certified seed” rather than its use it as grain for food.



A generally positive feedback was received on questions regarding “diversification of crops”. Farmers are generally the most conservative group when it comes to assuming risks or changing habits and established patterns. However, post-BKPAP nearly 51% of the beneficiaries reported that they are now practicing a “significantly diversified cropping pattern”, whilst another 40% beneficiaries noted a relatively modest change in the cropping pattern. Karak appear to be the exception where a larger percentage of respondents indicated “no changes in crop

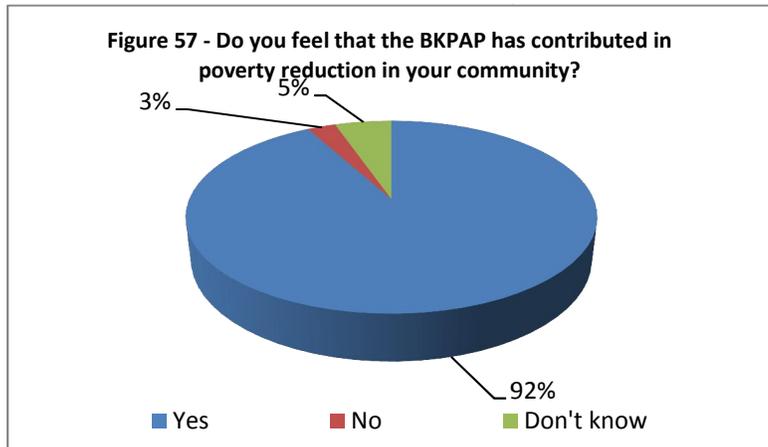
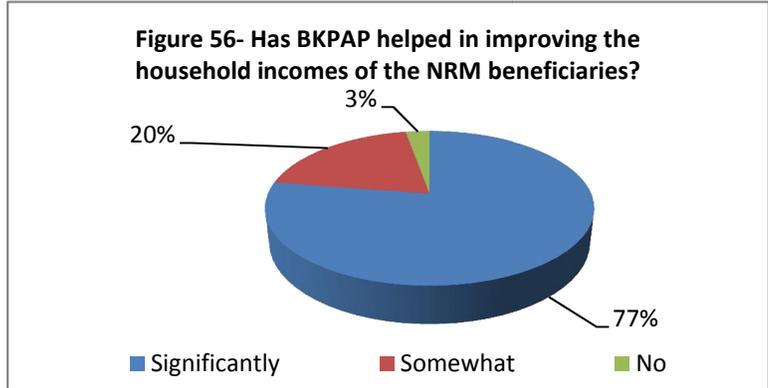


diversification” (see Fig. 55).

The BKPAP has assisted in introducing productive field crops such as groundnuts, cotton and sunflower as well as horticultural crops through tunnel farming of different vegetables including Olive culture. However there is also a need for better planning and more thoughtful demonstration of crops according to climate and need of the area. For instance, in Karak there was more need to promote drought resistant crops having 90% rain fed area rather than cotton crop with high water requirements and the virtual lack of market for its products. Broadly, the BKPAP has successfully assisted in diversification of crops in the program area and raising the income of farmers.

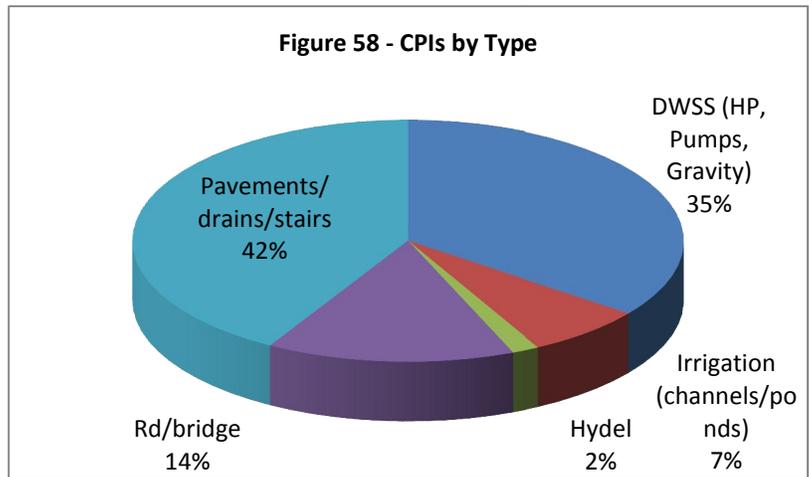
Among other indicators of immediate impacts, nearly 58% of the beneficiaries reported that BKPAP has “significantly” contributed in increasing crop acreage in the area; another 57 % of the respondents noted significant increases in “milk production”, and a high 77% reported significant improvements in overall incomes of the household (see Fig 56).

A resounding 92% of the beneficiaries indicated that BKPAP has contributed to “poverty reduction” through enhanced production from lands, small scale businesses, new labor employment as well as some economic activity for the females in the household (see Fig 57).



5.3 Community Physical Infrastructure (CPI)

In all a total of 996 schemes were financed under BKPAP under the Community Physical Infrastructure (CPI) Component. As shown in figure 49, a majority(42%), of the CPIs were street pavement and drainage related and were broadly categorized as “Sanitation”. Drinking Water Supply Schemes were 35% of the CPI portfolio followed by 14% access roads/bridges schemes and 7% as irrigation related schemes. Only 2 % of all the CPIs were micro hydel electrify generation units mostly provided in the districts of Battagram and Upper Dir.



5.3.1 Findings from the Desk Review

The Engineer’s Desk Review constituted the first level of verification of the 30 CPI schemes. Before the schemes were visited the engineering team assessed the *availability* and *adequacy* of the CPIs’ documentation. The process of implementation of any CPI is triggered by a resolution from the Community Organization. This resolution indicates that the community is interested in a development partnership and has reached a consensus on a priority problem that they wish to address in the shape of a possible CPI. This is also, what can be termed as the culmination of a series of meetings called “1st dialogues”.

Once a resolution is passed by the community, it is received by the local social organizer(s) who prepare a Social Feasibility for the scheme. Engineers, meanwhile, prepare the required technical reports such as Design and Estimates and carry out an Environmental Screening to ensure that there are no major environmentally detrimental effects of the scheme. If the results of the social and engineering reports and the environmental screening are found to be positive and they fall within the criterion set by BKPAP, the scheme is given a formal approval for implementation by the SRSP Head Office. Afterwards, SRSP representatives engage the community in a ‘3rd dialogue’ during which a Terms of Partnership (TOP) document is signed by the community. The TOP is included in the final Project Proposal.

For record keeping, all copies of receipts, expenditures as well as other documentation pertaining to the construction of the schemes are to be maintained in a Physical Infrastructure (PI) Register by the CO’s secretary. Once the scheme is completed a Project Completion Report (PCR) showing the actual cost and date of completion is prepared. The PCR also becomes part of the CO’s and SRSP’s records. If the scheme is successful and is handed over to the community, and a Project Completion Certificate is issued. The evaluation team assessed the availability and adequacy of this essential documentation for each of the sampled schemes and came up with the following findings.

Social Feasibility

A social feasibility report serves several functions; it shows that the Community Organization exists on the ground, it has an open bank account, and that there was no conflict amongst the CO members in general or around the priority ranking of the CPI itself. All the 30 schemes sampled had the required Social Feasibility documentation and it was found to be adequate.

Environmental Screening

Environmental Screenings were carried out using a simple template developed by SRSP for its field staff. The screenings were used indicate whether or not the proposed project is safe for the environment and whether a detailed environment assessment is to be made or not. The Environmental Screening consists of a three stage process. At the first level, an environmental sensitivity assessment is carried out. Environmental sensitivity is taken in terms of the proximity of the proposed scheme to natural habitats/vegetation, slopes, populated areas, various kinds of wetlands, historical and cultural sites, etc. In the second stage, the level of environmental screening required for the scheme is determined based on the results of the environmental sensitivity assessment. An Environmental Review (ER) is the basic minimum level of screening required for all schemes, regardless of their ranking/categories from the sensitivity assessments. Higher levels of screening, those which are more detailed and are to be performed by professional environmentalists are required for schemes which rank poorly in the environmental sensitivity assessment. The Environmental Review is the third and final section of the environmental screening. The ER is used to determine the potential negative impacts of the scheme on the environment and details the measures that must be taken to mitigate those negative impacts. These mitigation measures must be included in the schemes' proposals. *Environmental Screening documentation was available for the first two stages. However, the team was unable to see any Environmental Review reports.*

Technical Feasibility

A Technical Feasibility is prepared for each CPI scheme prior to implementation. This feasibility is based on a number of analysis and documentations, namely:

Design Basis

The most crucial aspect of any technical feasibility is the design basis and assumptions on which the schemes has actually been designed and estimated. The table below shows some examples of the required design basis which would be necessary for a correct design.

Table 15

S. No	Type of Scheme	Required Design Basis
1	Road/Bridge	CBR or bearing capacity, Axle load, Details of construction joints
2	Drinking Water Supply	Capacity, HH requirements
3	Drainage	Rainfall Intensity, Catchment area
4	Irrigation	Crop water requirements/Soil type

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The design basis for 13 of CPI's was not available or inadequate. Most of these were street pavements. Key information such as bearing capacities of soil and the Axle loads were missing.

Design Calculation

The design calculations are an essential feature for all engineering works. Although in some cases, widely used national or industry standards can be quoted in place of actual designs. In general, design calculations allow for independent reviews, ensure the integrity of the design adequacy and serve as a backup in case of any liability. For the schemes implemented by SRSP, it was found that the design calculations for 07 schemes were not available (23 % of the sample). For another 20 % of the schemes (i.e. 6 schemes), the design calculations were inadequate.

Construction Drawings

Construction drawings are needed to ensure that the community and labor working on the ground are able to construct the schemes in accordance to the designs envisioned. All the CPI proposals reviewed had at least the basic schematic construction drawings attached as part of the project proposals.

Material and Works specifications

Material and works specifications must be detailed because they are essential for ensuring the quality of the construction is up to the standard anticipated by the project proposal. The site engineer and the community must be very clear on what is to be used for the construction of the schemes and how it is to be used. All the CPIs mentioned what materials were required, such as bricks, sand and steel. However, it was observed that invariably, there was no mention of the detailed specifications for these materials such as the standard quality of the bricks, the type of sand or strength of the steel. This is a critical omission and needs to be ensured for all civil works programs. To illustrate the point, there are many quality of bricks with varying compressive strengths and costs. Likewise steel strengths vary widely with corresponding cost implications. Both technical supervisory staff as well as community representatives need to be very clear on the specific requirements to ensure the required materials and work quality at site. This can only be ensured with clear guidance on "materials" and works specifications".

Water Quality Test

Water Quality tests had to be carried out for DWS schemes to ensure that the water from these schemes was potable. Out of the 11 DWSS schemes surveyed, Water Quality tests reports were available for all the schemes except for Warana village in Karak.

Project Proposal

The project proposals are detailed documents that cover the technical (engineering), social, procedural and management aspects of the schemes. The engineering documentation listed in the previous sections such as environmental assessment reports and design and cost estimates are part of this proposal. Similarly, the objectives of the project, the roles of the key stakeholders and the protocols for management of the project are all outlined in the proposal. Project proposals for all 30 schemes were available, in the regional offices.

Project Approval

All the schemes had received formal approval by the competent forum. Project approval documentation was available for all schemes.

CPI register

A CPI register is to be maintained by the CO, typically by the CO's secretary. The CPI register contains all documentation related to the implementation phase of the scheme, most commonly the receipts for outlays during the construction phase, or for O&M. CPI registers were available for 25 of the 30 schemes and most were diligently maintained, however, the team was not able to see the CPI registers for 5 schemes.

Project completion report

The project completion report details the initially estimated quantities of various materials and labor required for implementation of the CPI and the actual quantities used as well as the variation between the estimate and actual outlays. The project completion reports were available for all 30 schemes.

CPI completion certificate

A CPI completion certificate is prepared by engineers once the scheme is ready for hand over to the community. It lists the contributions made by the stakeholders and the dates of completion. All of the CPI's had completion certificates.

Handing and taking over certificate

The Handing and Taking over Certificate is signed by the community members once the scheme has been completed and is officially being handed over to them by SRSP. The certificate is crucial for ensuring the sustainability of the scheme since it makes official the community's ownership of the scheme and lists the members of the O&M committee. It also certifies that O&M systems have been put in place, such as the opening of a bank account specifically to hold an O&M fund. The Handing and Taking Over certificates were available for all 30 schemes.

5.3.2 Field Survey Findings

Technical Inspections

Various design parameters of the 30 sample CPI's were physically validated in the field across the four target districts. The design parameters verified included:

1. Scheme layouts,
2. Designs,
3. Material specifications
4. Workmanship,

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5. Quality of material used,
6. Scheme outcomes,
7. Environmental screening,
8. Operation & maintenance, and
9. Functionality, efficiency and effectiveness.

Scheme Layouts

The engineering team conducted site visits to all sample schemes to validate the schemes layout. It was observed that all schemes except one were built in accordance with the planned design. The scheme was a street pavement scheme in Kandar, Mardan where side drains were not shown in the CPI drawing while 600ft drains had been constructed at site.

Scheme Outcomes/Objectives

It was reported that 93% of the schemes' outcomes/objectives (Ref. to the project objectives mentioned in the scheme proposal) were found to be in accordance to the originally designed objectives. However, 3% partially observed at site and 3% did not fulfill the proposed/designed outcomes. The schemes which did not meet the design objectives/outcomes included an Irrigation channel in village MainaBala, UpperDir. It was observed that this scheme was not functional. See table 9 for details.

Validation of Environmental Screening

The objective of this exercise was to validate the environmental screening (Ref. to the environmental screening form mentioned in the scheme proposal) at site. All except two of the environmental screening forms were completely filled. Please refer to table 16 below for details.

Table 16 Environmental screening form had not been filled:

S.No	District	Village	Scheme	CPI ID	Remarks
1	Mardan	Ghafoor Khan Killay	Irrigation Water channel lining	IRR/WC/M/14	Template was available in the proposal but had not been checked/filled by engineer.
2	Mardan	Kandar	Street Pavement	SAN/SP&D/M /15	Template was available in proposal but had not been checked/filled by engineer.

Design & Estimate Validation

The sample review shows that 87% of the schemes were built as per design; 10 % were built with some modifications (albeit necessary and required) in design and 3% were built with large deviations in the design. The only scheme with large deviation was a street pavement scheme in Kandar, Mardan where the side drains were not shown in the CPI drawing while 600ft drains and side protection stone masonry wall of 150ft length and 2ft depth had been constructed at site.

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Physical validation of materials and works

The evaluation teams carried out a physical inspection of all sites. In view of missing specifications, a general quality check was carried out. Based on physical observations, the works and materials appear to be adequate for the nature of work. The future civil works program should ensure a clear specification for each type of material and the work category to ensure the required engineering standards can be enforced and also independently verified.

Operation & Maintenance

Effective operations and maintenance system is crucial for ensuring the long-term sustainability of the schemes. Assessment of O&M included the existence of functional O&M committees and systems. It was found that 80% of the schemes had fully functional O&M systems while 3% had partial and 17% of the schemes had no functional O&M system. See table 9 for details. The 05 schemes where O&M was found lacking or ineffective was primarily because no O&M committee existed or no O&M systems or protocols were available.

Table 17 Schemes with poor O&M:

S.No	District	Village	Scheme	CPI ID	Remarks
1	Mardan	Haji Saeedjan kale	Lining Water channel	IRR/WC/M/04	Almost 20% of the channel wall damaged, needing repair and subsequent maintenance.
2	Mardan	Kalo shah	DWSS Hand Pumps (7)	DWSS/HP/M/10	Currently the scheme is fully functional, but since no O&M committee available on ground it is bound to undergo breakdown.
3	Mardan	Kandar	Street Pavement	SAN/SP&D/M/15	The scheme has no O&M committee and no documentation available on record to reflect if arrangements ever existed. Some parts of the CPI already need maintenance.
4	Karak	Terri	Street Pavement & Drainage	SAN/SP&D/K/20	Some portion of the CPI need maintenance but no actual O&M observed
5	Upper Dir	Main Bala	Irrigation Water channel lining	IRR/WC/D/26	Only 250 rft section of the channel had been demolished by the cloud burst. However, community failed to reconstruct the damaged section.

Workmanship

The quality of workmanship at the sites was also observed in the field. It was found that, at 87% of the schemes workmanship was good, while for 13% of the schemes it was found to be satisfactory.

Pavement alignments, wear and tear, poor surface finishes and honey combing in concrete structures resulting satisfactory quality of workmanship was observed in villages Haji Saeed Jan Kale, Janay Kale and Kandar in Mardan. See table 18 for details.

Table 18: Schemes had Satisfactory Workmanship

S.No	District	Village	Scheme	CPI ID	Remarks
1	Mardan	Haji Saeedjan kale	Lining Water channel	IRR/WC/M/04	Workmanship is Satisfactory, some portion of channel needed maintenance but no actual O&M observed.
2	Mardan	JanayKillay	DWSS Hand Pump	DWSS/HP/M/13	workmanship is unacceptable condition so it is termed as satisfactory see pictures
3	Mardan	Kandar	Street Pavement	SAN/SP&D/M/15	Workmanship was satisfactory. The pipe was blocked because of mud, grass, polythene bags etc.
4	Karak	Terri	Street Pavement & Drainage	SAN/SP&D/K/20	Workmanship is satisfactory because some portion of drain is damage due to over loaded vehicles.

Functionality

The functionality of the scheme is perhaps the most important parameter for assessing the CPI. If a scheme is functional it most likely achieving all the objectives it was designed to meet. In this regard, 90 % of the schemes were found to be fully functional at the time of the visit, however 7% were partially functional and 3% were found to be not functional (i.e. only one scheme). The non-functional scheme, an irrigation scheme in Main Bala Upper Dir, as 250rft channel (150+100), of 1200rft, has been washed away completely by the flash floods. The major issues correlated to lack of functionality arose from the lack of funds and maintenance problems. See table 14 for details.

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Effectiveness

This relates to how effectively the scheme delivers on its intended purpose. It was found that 93 % of the schemes were fully effective, 03% were partially effective and 03% were deemed ineffective. The major cause of schemes being categorized as ineffective was due to the scheme not fulfilling its intended purpose, such as earlier mentioned irrigation scheme in village MainaBala Upper Dir.

Beneficiaries Feedback

The beneficiaries' feedback is based on following samples size:

- A total of 96 households were interviewed in 32 CPIs (3 HHs/CPI) in all four target districts. Original target was 30 CPIs and 90 HHs, however 2 additional CPIs were also covered.
- To triangulate the findings from the household survey and technical inspections, Focus Group Discussions (FGDs) were also conducted. A total of 29 FGDs, 1 each from each of the 29 sample CPIs were conducted. Of the 29 FGDs, 7 were with female and 22 with men.

Households Survey

The sample of 96 HHs interviewed was distributed across the four districts covering a total of 30 CPIs. The number of households interviewed and surveyed in each district along with the type of CPIs is provided in the table below.

	Battagram	Karak	Mardan	Upper Dir	Total
Drinking water supply	3	15	14	0	32
Irrigation	0	0	15	3	18
Link road/Bridges	3	0	0	7	10
Street pavement and drainage	6	3	22	5	36
Total	12	18	51	15	96

Beneficiaries' Profile

Of the 96 household respondents 73% were men and the rest women. Of the total sample 45% were head of the family and the rest others members of the immediate family. 80% of the respondents were members of their respective COs/WCOs.

	Battagram	Karak	Mardan	Upper Dir	Total
Male	100%	67%	61%	100%	73%
Female	0%	33%	39%	0%	27%
Total	100%	100%	100%	100%	100%

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Awareness about the SRSP BKPAP Intervention in the Community

91% were aware of the SRSPs BKPAP project interventions in their area. Almost half (55%) knew how much monies were spent by SRSP on the CPI. Of those who did not know 74% said that they had no interest to know about the details while remaining were either shy (11%) or were not informed even after an inquiry (17%).

Existence and Functional Status of Surveyed CPIs.

The functional status of all 30 CPIs (except one) was validated by the beneficiaries during the FGDs held.

Relevance of the CPIs to Communities Needs

When asked if the respondents or the family members participated in needs assessment and prioritization of the CPI, 54 % said no or could not recall, with a majority in Mardan and Upper Dir. Only 46 % of the respondents said that any they themselves or any other member of the household participated in needs assessment and prioritization. However when triangulated during the FGDs more than 60% said that most or all members were involved in the Project consultations. This disparity in response between household response and FGDs could be due to many reasons including the fact that the HH respondents him/herself would not have participated but another family member may have participated. However when asked if they think the CPI was their priority 96% said yes indicating high degree of interventions relevance to the community's needs.

Table 21: Did you or any female member of your household participate in need assessment & prioritization of the CPI?

	Battagram	Karak	Mardan	Upper Dir	Total
Yes	100%	61%	32%	31%	46%
No	0%	39%	68%	69%	54%
Total	100%	100%	100%	100%	100%

When asked who decided the location of the scheme and other relevant aspects, no one said that this was done in total isolation of the community by the project staff. Majority said that these details were agreed jointly with varying degree of community participation with over 60 % of both men and women siad that this was either unanimous or almost a unanimous decision between community and the project staff.

Effectiveness of the CPIs

92 % of the respondents said that they are directly benefiting from the CPI. When asked about the type of beneficiaries of the CPI 72 % of the respondents said that everyone in the community is benefiting.

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Table 22: Who in the community is benefiting from the CPI?

	Battagram	Karak	Mardan	Upper Dir	Total
Some (around 25%) of the community members are benefiting	0%	0%	18%	20%	13%
Half (around 50%) of the community members are benefiting	0%	0%	14%	0%	7%
Most (around 75%) of the community members are benefiting	0%	6%	16%	0%	9%
The whole community is benefiting equally	100%	94%	52%	80%	72%
Total	100%	100%	100%	100%	100%

Overall vast majority of the respondents rated the performance of the CPI as either Good or Satisfactory.

Table 23: How will you rate the performance of the CPI?

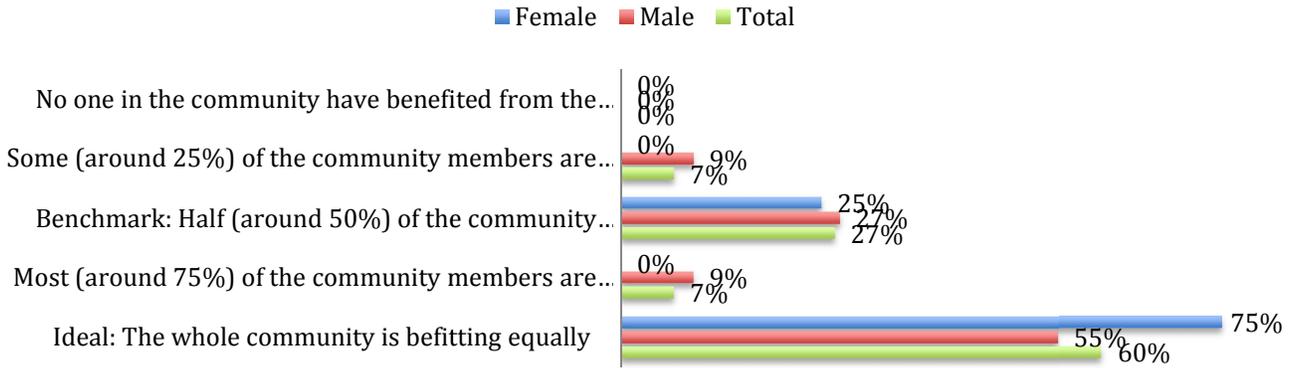
	Battagram	Karak	Mardan	Upper Dir	Total
Good	73%	67%	64%	20%	58%
Satisfactory	27%	33%	36%	73%	41%
Unsatisfactory	0%	0%	0%	7%	1%
Total	100%	100%	100%	100%	100%

5.3.3 Impacts Assessment of the CPIs

A number of indicators were used to probe the degree of impact the CPIs has on the beneficiaries. This included degree of equity and presence of social barriers to access the benefits from the CPI, besides other indicators. Regarding equity in degree of benefits to all in the community, a majority of both men and women said that whole community benefited from the Project. However around 30 % also said that half or more than half does benefit indicating that some community members are unable to benefit. Also, a vast majority (above 80%) of both WCO and MCO managed scheme beneficiaries said that there exists no social barriers preventing any groups from benefiting from the CPIs and even outsiders do benefit from these CPIs.

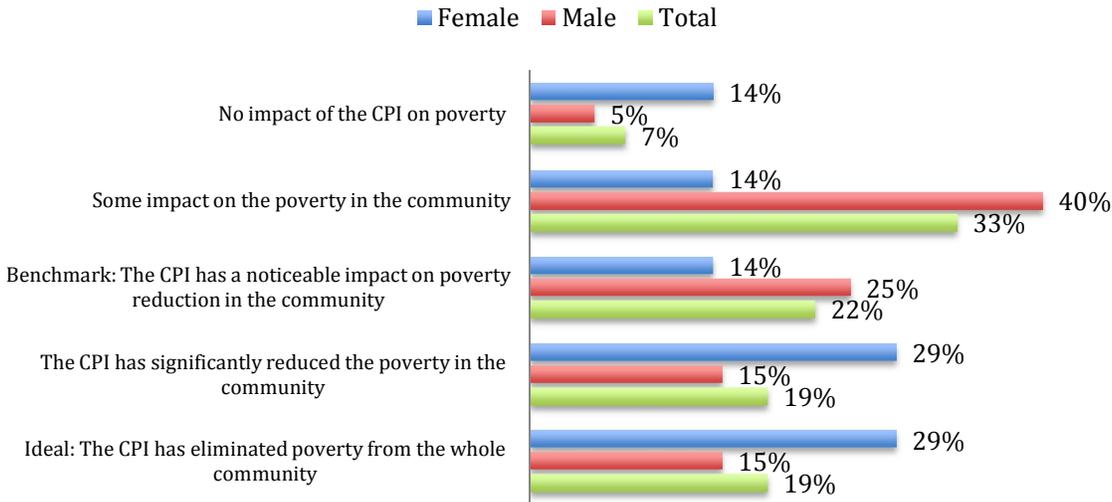
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Figure 59 - Has the project benefitted your community, if at all?



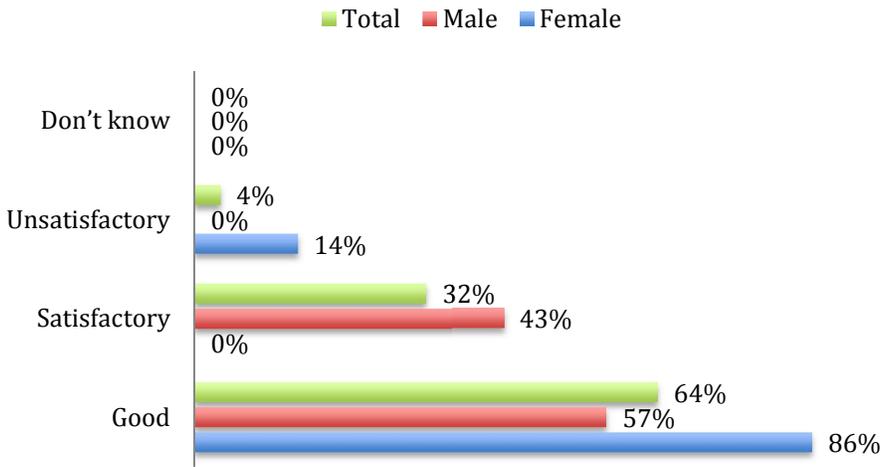
Encouragingly, while less than 15 % of both men and women thought that the CPIs have had no impact on the poverty, nearly 60 % or more felt that the CPIs had either eliminated poverty, significantly reduced or noticeably impacted on poverty. Another 33 % felt that CPIs had led to some impacts on poverty. A very positive reflection on the achievements of a modest program.

Figure 60 - Has the CPI intervention helped reduce poverty in your community?



When asked if the beneficiaries were satisfied with the performance of the CPIs, a vast majority classified the CPI performance from “Satisfactory”(32%) to “Good” (64%). More women were happier with the CPIs than men indicating a greater degree of relevance of these CPIs to women.

Figure 61 - How will you rate the performance of the CPI?



5.3.3.1 Street Pavement and Drainage Projects

Among the 36 households surveyed for this category of CPIs, the key impact noted was the reduction of water stagnation in the streets and lanes. Virtually all (97%) of these respondents believed that their neighborhood environment has improved after completion of the CPI. The incidence of mosquitoes, flies and foul smell was reportedly reduced which was widespread before the intervention. Some 89 % believed that the interventions have contributed to improved health and well-being of their families. A high 95 % of this group believed that accessibility to and from their houses has improved. Most of these CPIs have been handed over to the COs over the last 6-12 months period.

5.3.3.2 Irrigation Projects

Among the 18 households surveyed for this category of CPIs (15 in Mardan and 3 in Upper Dir) increased availability of water was noted as the biggest impact. However the results appear to be skewed and highlights a targeting issue. The percentage of farmers who were farming 1-5 units of land has reduced; while those in the higher brackets (i.e 11-20 units and 31-40 units) appear to have increased. In general with the availability of more water after the implementation of such CPIs additional lands have been brought under cultivation.

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Table 24: Total Land farmed by the household? (Units)

	Before CPI			After the CPI		
	Mardan	Upper Dir	Total	Mardan	Upper Dir	Total
1 to 5	47%	0%	39%	13%	0%	11%
6 to 10	7%	100%	22%	7%	100%	22%
11 to 20	13%	0%	11%	47%	0%	39%
21 to 30	20%	0%	17%	13%	0%	11%
31 to 40	7%	0%	6%	13%	0%	11%
More than 50	7%	0%	6%	7%	0%	6%
Total	100%	100%	100%	100%	100%	100%

Agriculture and farm production is widely believed to have increased and half of the respondents said that their agriculture production has increased by as much as 50%.

Table 25: How has the CPI affected agricultural production? Percent increased

	Mardan	Upper Dir	Total
21% to 30%	8%	0%	6%
31% to 40%	15%	0%	13%
41% to 50%	38%	100%	50%
51% to 60%	8%	0%	6%
71% to 80%	8%	0%	6%
91% to 100%	23%	0%	19%
Total	100%	100%	100%

When asked if the CPI made any difference in conflicts related to water, 100 % of the respondents agreed with 56 % saying that such conflicts have reduced up to half while some 22 % said that these have been totally eliminated.

5.3.3.3 Drinking Water Supply Projects

A total of 32 households who had benefited from water supply sub projects were surveyed of which 14 were in Mardan, 15 in Karak and 3 in Battagram.

Starting with the impact on the quantity of water available, 100% of the respondents said that it is now adequately available after the completion of the CPI, a dramatic improvements compared to the pre-CPI period where in only 35% thought that it was adequate. Likewise on the quality aspects of the water, in the pre-CPI period 68% of the respondents felt that water quality was adequate compared to 100% in the post-CPI period.

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Table 26: Quantity of Water

	Before CPI				After the CPI			
	Battagram	Karak	Mardan	Total	Battagram	Karak	Mardan	Total
Adequate	33%	13%	62%	35%	100%	100%	100%	100%
Inadequate	67%	87%	38%	65%				
Total	100%	100%	100%	100%	100%	100%	100%	100%

While water supplies were available in one form or another even before the installation of CPIs, those were often located at a distance (74%) occasionally with issues such as quality or quantity. Some 71% of the respondents suggested that it took them 1-15 minutes daily to collect their daily water supplies from the nearest sources. However after the installation of the scheme nearby, this percentage has increased to 82 % and the 12 % who would spend 46-90 minutes reduced down to zero.

Table 27: Time taken to go to water source and come back? (Number of minutes) (Total time taken/day)

	Before				After		
	Battagram	Karak	Mardan	Total	Karak	Mardan	Total
1 to 15 min	0%	79%	86%	71%	92%	70%	82%
16 to 30 min	100%	0%	14%	17%	0%	20%	9%
31 to 45 min					8%	10%	9%
46 to 60 min	0%	7%	0%	4%			
61 to 90 min	0%	14%	0%	8%			
Total	100%	100%	100%	100%	100%	100%	100%

The daily labor to fetch water was primarily the responsibility of women (73%) followed by young girls (20%). Although women (50%) and young girls (20%) still undergo this daily labor the availability of water from nearby sources has resulted in significant time reduction for a sizeable number of women and girls.

Table 28: Who usually fetch water for HH use?

	Before CPI				After the CPI			
	Battagram	Karak	Mardan	Total	Battagram	Karak	Mardan	Total
Mainly adult woman	100%	87%	50%	73%	0%	67%	42%	50%
Mainly female child (under 15 years)	0%	13%	33%	20%	0%	13%	33%	20%
Mainly male child (under 15 years)	0%	0%	17%	7%	0%	0%	8%	3%
All household members equally	100%	100%	100%	100%	0%	0%	17%	7%
Water into the dwelling					100%	20%	0%	20%
Total					100%	100%	100%	100%

When asked about the uses for the time saved, it was found that the time thus saved is used primarily for other household works (77%), for income generation activities (15%) and educational activities (8%).No

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water treatment is practiced, neither now, nor before the CPI as 92 % use no treatment while 5% (only in Mardan) use cloth strainers to filter out any visible impurities if any from the water they collect. Availability of water has dramatically improved as well from generally intermittent supplies to 24 hours access.

Nearly 74% of the respondents indicated satisfaction with the quantity and quality of water. However as significant 26% were not happy. This has been found to be due mainly to a higher number of unhappy beneficiaries in Karak districts where ground water is often limited and brackish. Since not enough emphasis was placed on promoting housed water treatment and safe storage education amongst the beneficiaries the quality of water may have remained a neglected area. This is also indicated by the fact that 43% of the respondents reported that one or more members of their family had diarrhoea episode in the last three months.

Table 29: Have any of the household members had diarrhoea episodes in the last three month?

	Battagram	Karak	Mardan	Total
Yes	0%	36%	62%	43%
No	100%	64%	38%	57%
Total	100%	100%	100%	100%

Table 30: How satisfied are you with quantity /quality of water provided through CPI?

	Battagram	Karak	Mardan	Total
Yes	100%	60%	85%	74%
No	0%	40%	15%	26%
Total	100%	100%	100%	100%

Nonetheless the provision of water supply schemes has been generally perceived to have a good impact on children's health (improved 75%, not improved 3 % and improved to some extent 22%). Respondents also generally believed that the scheme has have a good effect on women, school going girls and boys by relieving them from their daily water fetching chores.

5.3.3.4 Access and Roads Projects

A total of 10 households benefitting from sub projects were surveyed; 7 in Upper Dir and 3 in Battagram. The sample households mainly related to link roads and a few suspension bridges. The main impact of access CPIs has been found on reduction in travel time. Before these CPIs, the average time taken to reach facilities was between 16-45 minutes. However it reduced to an average of between 1-30 minutes after the completion of the CPIs resulting in significant time saving for the beneficiaries.

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Table 31: Time Taken to Reach Facilities (minutes)

	Before			After		
	Battagram	Upper Dir	Total	Battagram	Upper Dir	Total
1 to 15 min	0	0	0	50%	0%	29%
16 to 30 min	50%	100%	71%	50%	100%	71%
31 to 45 min	50%	0%	29%			
Total	100%	100%	100%	100%	100%	100%

These access routes and links are used on daily basis as informed by the respondents and beneficiaries are either very satisfied (46%) or satisfied (54%) with these CPIs.

Table 32: How satisfied are you with quality of the road/bridge?

	Battagram	Mardan	Upper Dir	Total
Very Satisfied	33%	100%	0%	46%
Satisfied	67%	0%	100%	54%
Total	100%	100%	100%	100%

These interventions have also resulted in significant cost reduction associated with travel. Nearly 85 % of the respondents suggested that costs reduced between 11-50%. Respondents also noted varying levels of benefits on women and school going girls and boys. Regarding impact on women free time the survey reported accrual of some benefits (31%) to large benefits (46%). Similarly regarding Girls' education, the respondents reported some benefits (46%) to large benefits (31%).

Table 33: If decrease or increased at what percent?

	Battagram	Mardan	Upper Dir	Total
11% to 20%	0%	0%	67%	33%
21% to 30%	0%	50%	33%	33%
41% to 50%	100%	50%	0%	33%
Total	100%	100%	100%	100%

The access infrastructure has also impacted the local business opportunities in a positive way, with 31% of the respondents reporting large benefits and 69% some benefits for the local business opportunities. Major businesses which have benefitted from these CPIs remains to be marketing of local agriculture

Table 34: Were any changes observed in the "Business Opportunities"

	Battagram	Mardan	Upper Dir	Total
Large benefits	0%	100%	0%	31%
Some benefits	100%	0%	100%	69%
Total	100%	100%	100%	100%

produce,
which
reports

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54% in large benefits and 46 % in some benefits.

Table 35: Were any changes observed in the “Marketing of Agriculture Surplus”

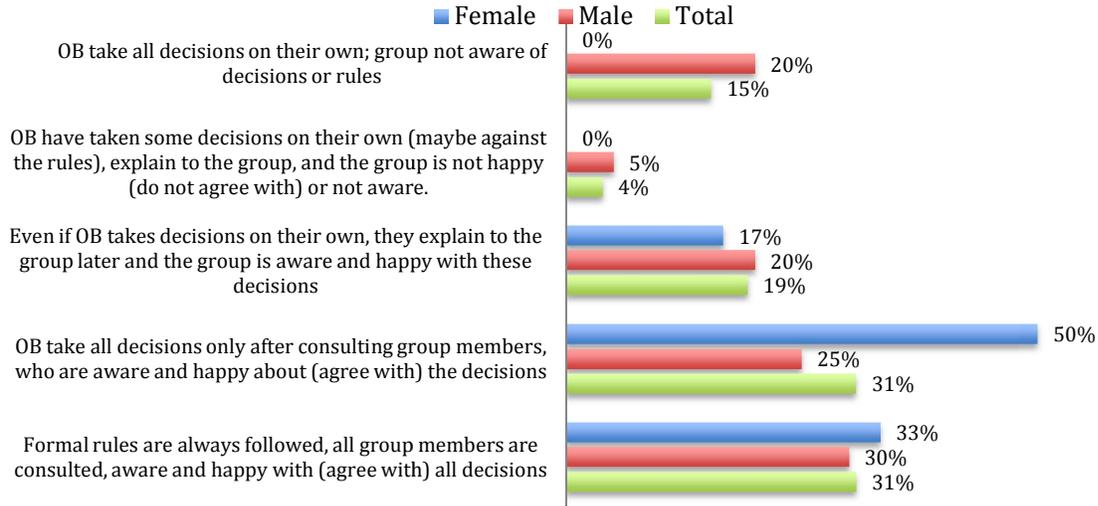
	Battagram	Mardan	Upper Dir	Total
Large benefits	50%	100%	0%	54%
Some benefits	50%	0%	100%	46%
Total	100%	100%	100%	100%

Sustainability

The key to sustainability of CPI programs partially rests with the MCO/WCO structure, governance and effectiveness. The assessment noted that 80 % of the MCO/WCO office bearers make decisions in a more or less consultative manner which is vital to ensure that necessary maintenance and repair systems are worked out and followed. Technical robustness of schemes goes a long way in ensuring the longer term sustainability of the schemes. When asked if the scheme has required repair since taken over by the CO, around 80% said that the scheme has not required any repairs thus indicating that most of the schemes are robust enough and well taken care off to require minimal or no repairs so far.

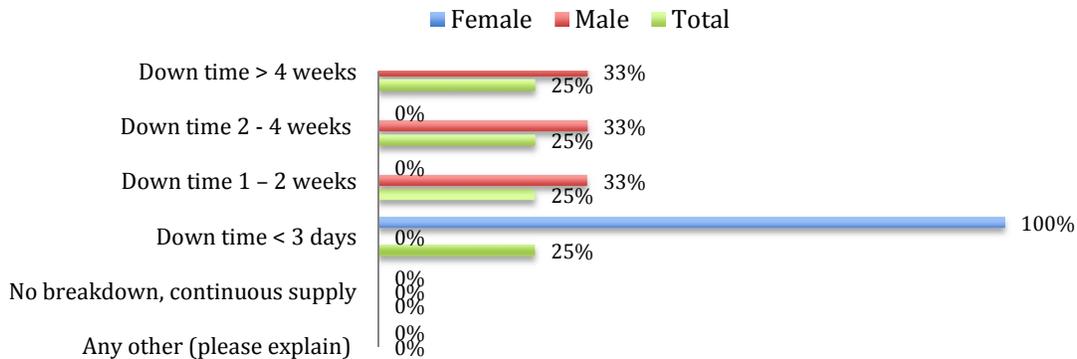
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Figure 62 - Do WCO/MCO office bearers (OB) (President/Secretary/Treasurer) take decisions after consulting members?



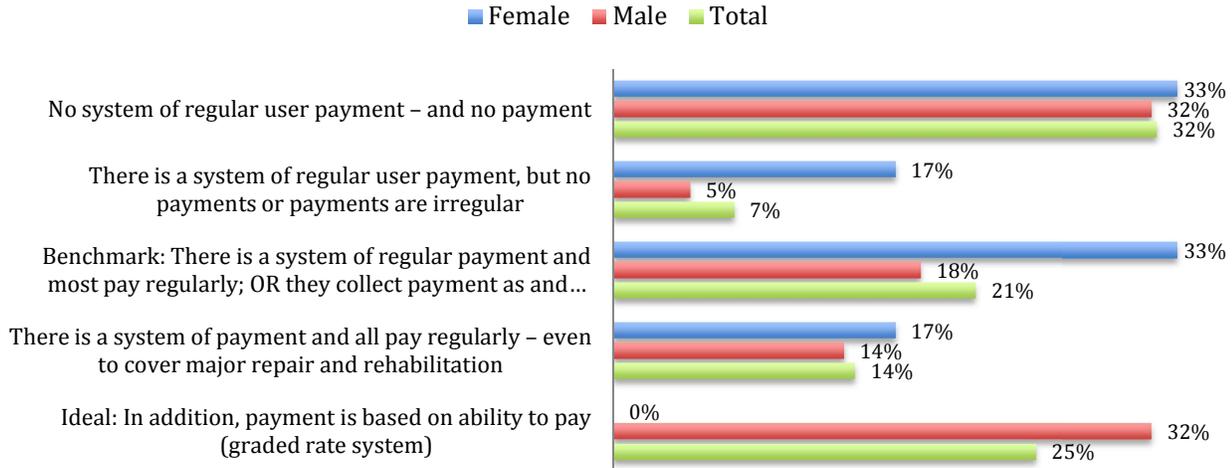
Schemes which are supported by a good maintenance and repair supply chain proves more sustainable compared to those which require procurement of supplies from far-off markets, leading to longer down time, loss of community interest and resorting to alternate sources and systems. When asked about the average repair time, most respondents from WCO-managed schemes said that it is less than 3 days. However interestingly for MCO managed schemes a majority said that it is between 2-4 weeks and 33 % said that it is even more than 4 weeks. This throws quite an interesting light on the responsiveness of the WCO to the timely repair of the schemes compared to MCOs.

Figure 63 - Average time taken to repair the scheme?



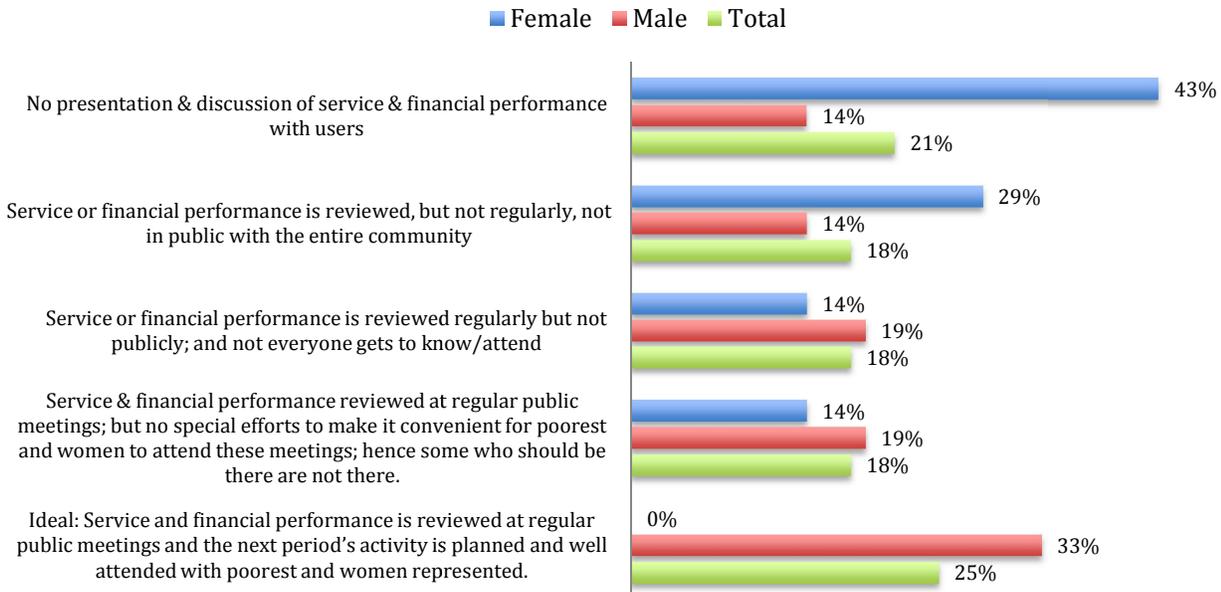
Organisation of the repairs is primarily undertaken by the MCOs/WCOs themselves, indicating effectiveness of established O&M and related decision making mechanisms established by SRSP. When asked if and what systems exist for payments for O&M of schemes, majority said that system of O&M payments exists and most beneficiaries pay regularly. In many cases these payments are used to fund major repairs too. In many MCOs (32%) such system of O&M payments is based on ability to pay, indicating a mature system which will contribute to longer term sustainability of the built schemes.

Figure 64 - System of Users Payments?



Even if the O&M systems exists and CO office bearers do make decisions in consultation with beneficiaries, the lack of transparency in financial matters can still lead to collapse of O&M systems. When asked about the degree of transparency in the financial information and performance of the office bearers to the communities, some 43% of respondents in WCO managed schemes and 14% MCO managed schemes said that there is no presentation and discussion of service and financial performance with users or there is some presentation made but not regularly (29 % for WCO and 14% MCO). However, simple majority of men thought that presentation and discussion of service and financial performance happens with some degree of regularity with varying degree of efforts to make it convenient to ensure participation of vulnerable in the community.

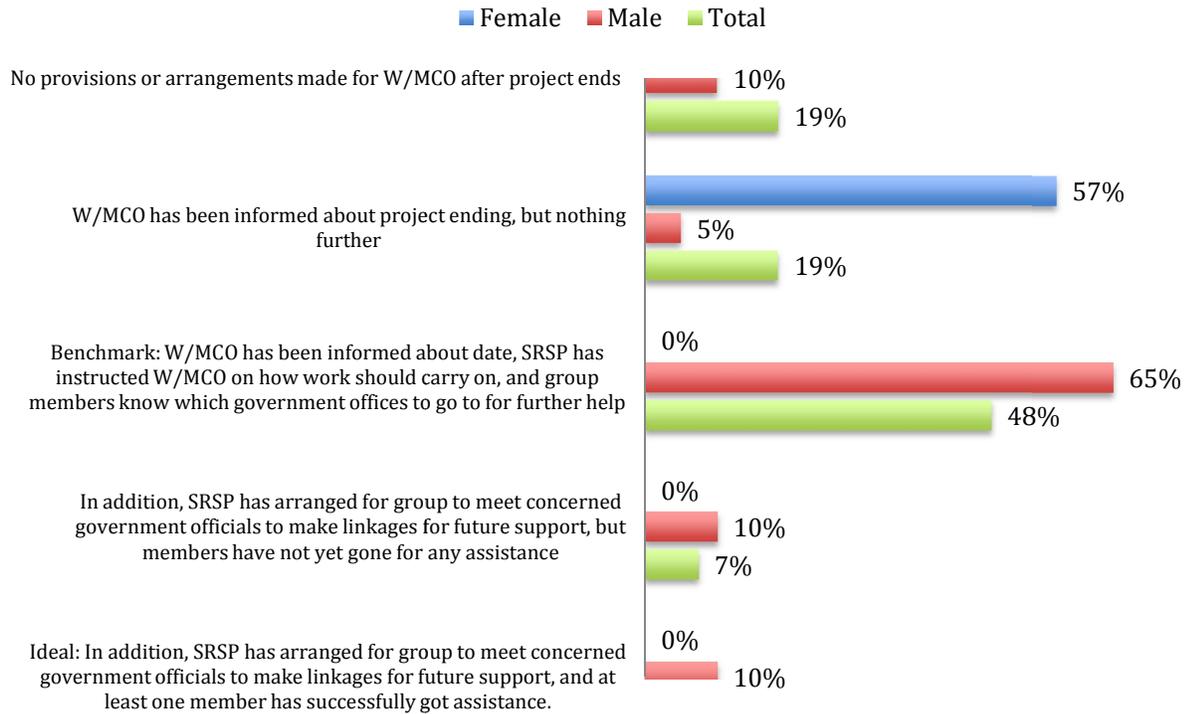
Figure 65 - How transparent is CPI-related financial information and performance?



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Another key element of sustainability is whether or not project has put in place post-exit arrangements to facilitate or support the project interventions and the COs. WCOs predominantly said that while they have been informed of the project closure, nothing further has been done or advised. However, most MCO said that they were not only informed by SRSP but have been properly instructed on how they should carry on and they know which government offices to go to for further help if they need it.

Figure - 66 What arrangements have been made for project withdrawal?



When asked if they would recommend such programs to continue in future, an overwhelming majority agreed that such projects should continue. This clearly demonstrates the overall effectiveness of the program.

Social Protection

6.0 Social Protection (Skill development, MHI and CLTS program)

The social protection component includes the following sub-components.

- Micro Health Insurance: 27,400 micro insurance has been provided to the community households to mitigate unforeseen social and health related shocks by ensuring smooth households consumptions, cash flow through insurance guarantee.
- The component also includes technical vocations skills improving delivery of social sector services through enhanced basic education and improved health and hygiene. 4,930 community members were provided with the Technical and Vocations Skills trainings.
- Improving delivery of Social Sector Services: 549 schemes of Community Led Total Sanitation were launched.

6.1 Skill Development

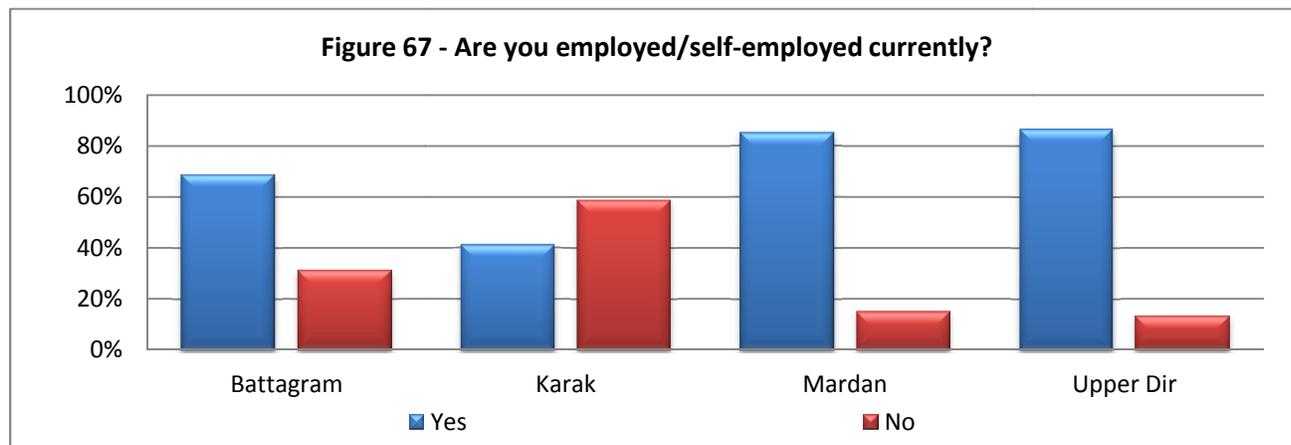
Background review of this program suggests that a fairly elaborate process was followed. Most of the trainees were nominated by the MCOs and WCOs; the nominations were reviewed and further screened by the HRD officer at the district levels and final selections made. This was reportedly followed by a Training Needs Assessment (TNA) process, an assessment of the market needs and a cross matching of suitable training programs. Priority was accorded to district based training institutions among which 3-4 were short-listed as BKPAP partners. It appears that bulk of the training partners were private sector institutions. SRSP noted that most public sector institutions were not geared for short training programs which was the only portfolio on the BKPAP menu. Trainees were also typically provided a stipend of up to PKR 2500/- which served as an additional incentive. Due to limited project staff post-training follow-up was generally not carried out. However, scattered evidence suggest that many of the trainees were able to find jobs within the district. Others traveled to Punjab while some reportedly went to the Middle East.

By the time the training program was launched, there were no other programs supporting skill development in the program area. Therefore, BKPAP was able to fill a void in the target areas. The survey shows that very few of the targeted beneficiaries had received technical training prior to BKPAP, and virtually none of the respondents had previously received any type of technical training in Upper Dir district.

A majority of the respondents reported that they were either employed or self-employed as a result of the training provided by SRSP under the BKPAP. Karak and Battagram showed higher levels of unemployed youth where 60% to 25% of the respondents indicated lack of employment or self-employment. The key reason cited was the lack of financial resources to invest in starting a business to be self-employed. On the other hand, the reason stated in Battagram was that the trainees were students and were still studying and therefore could not be employed or self-

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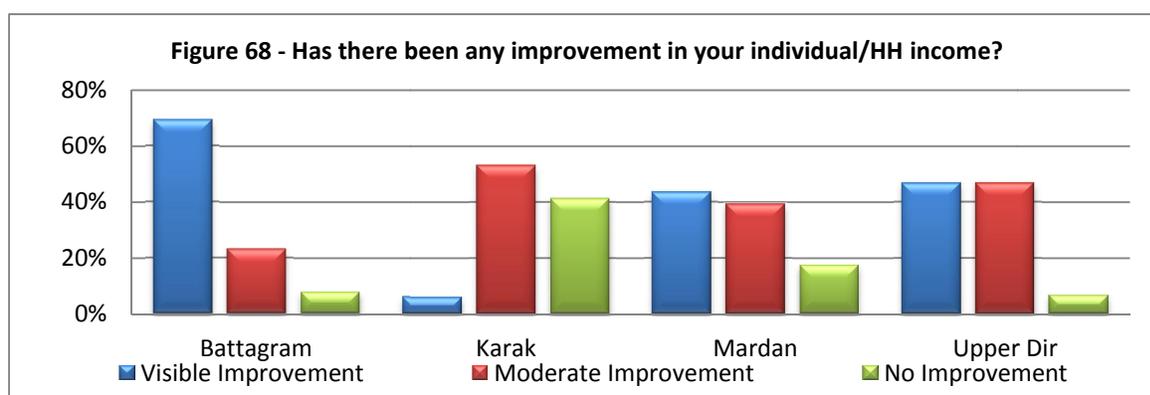
employed. Therefore in the case of Battagram this was a selection issue. This issue was also identified in the case of Mardan, but was not as significant as in Battagram.



Among other impacts over 80% of the respondents reported that there has been visible to moderate improvement in the household incomes. The impact of the training was most pronounced in Battagram where 90% of the respondents highlighted visible to moderate improvements in household incomes, and the least in Karak, where 60% indicated visible to moderate improvements. Overall such immediate impacts of development interventions are commendable.

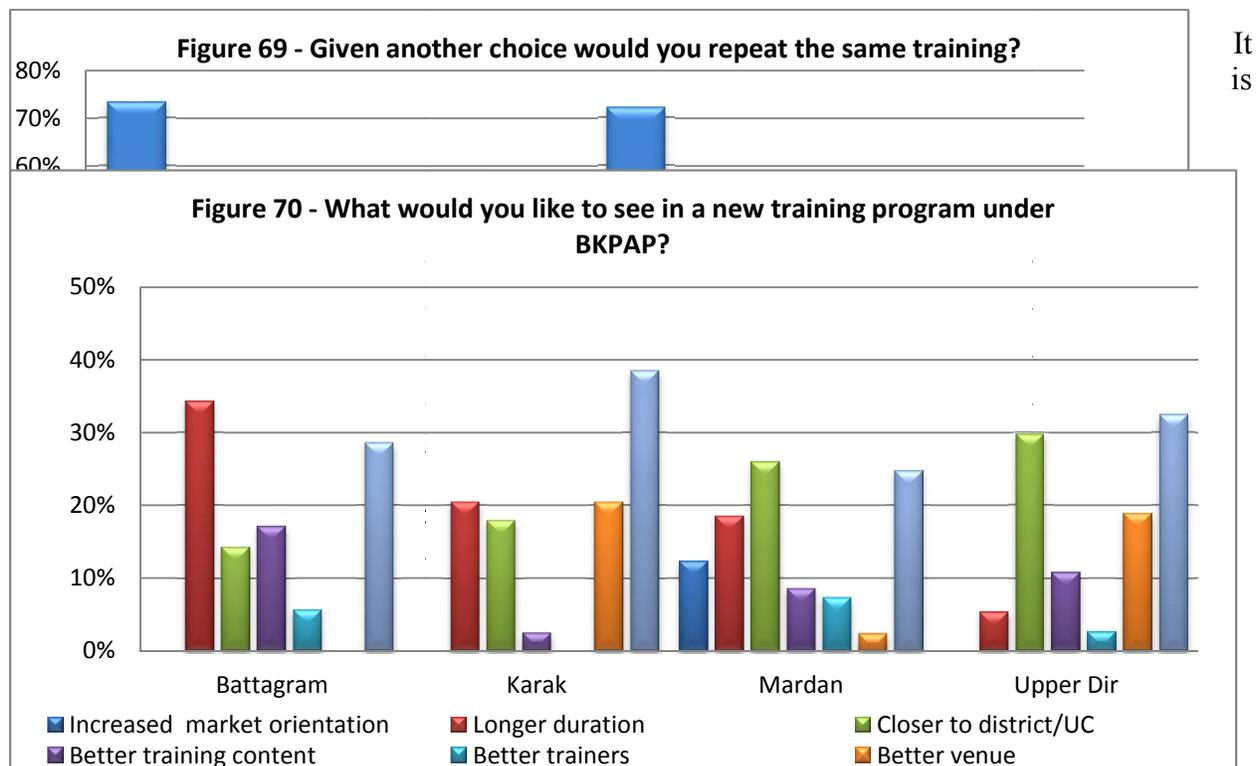
Table 36: Has there been any improvement in your individual/HH income?

Level of improvement	Battagram	Karak	Mardan	Upper Dir	Total
Visible Improvement	69%	6%	43%	47%	41%
Moderate Improvement	23%	53%	39%	47%	41%
No Improvement	8%	41%	17%	7%	19%
Total	100%	100%	100%	100%	100%



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There are some lessons to be learnt from this intervention in terms of what has worked, focusing on the gains, ironing out some of the shortcomings and introducing some innovations. Development is about giving people choices to better address their needs. A large percentage (38%) of the respondents said that they would like to opt for another training if the programme is extended into the next phase.



It is

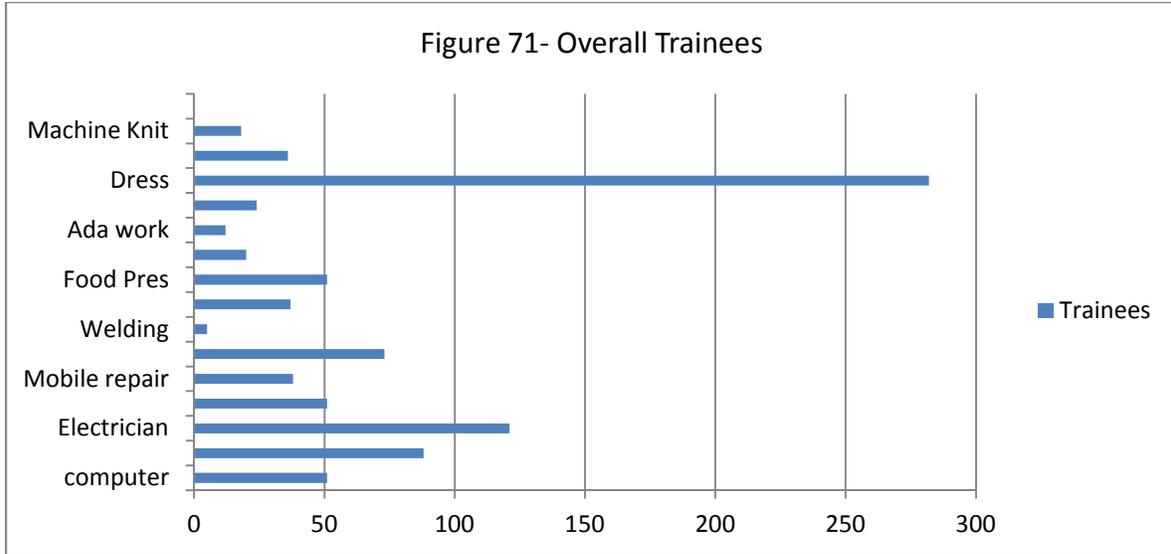
therefore important to conduct a market assessment and organize training according to the needs of the community members with an ongoing internal evaluation process to improve the quality of the training and offer new products.

On questions about what should change in a new program, respondents highlighted the need for extending the training duration, better training content, closer proximity, market orientation and better trainers. Higher stipend was the most significant response.

Overall the financial and physical targets were met for this component, as set forth in the PC-I. The table below shows that BKPAP overachieved the targets agreed for the technical training component.

Activity	PC-I Target	Achievement	%age
Technical Vocational / Employable Skills Training	4,800	6,657	138

Training was mainly provided in the trades of Computers, Electrician, Driving, Welding, Heavy machinery driving, Beautician, UPS making, Sewing and Tailoring. From the chart below it is evident that except Dress Making, other trades are evenly divided. Training for women was arranged at the community level through resource persons as trainers.



However, proximity of the training venue was identified as an issue by the trainees including lack of practical work during the training. SRSP arranged special short courses for training under BKPAP, however the training duration was considered too short and reportedly further scaled back for various reasons. In Karak the proximity of the training venue emerged as an issues whereas in Mardan women complained that they did not have pick and drop facilities for attending the training. On the other hand the SRSP staff in Mardan stated that pick and drop was provided.

The review suggests that linkages with TTCs had not been established. Whereas the programme was developed as a public-private partnership model, there was little evidence found of this partnership being truly developed especially in the Technical Training area. The government of KP has TTCs across the province and especially in the areas where BKPAP was active and where the provincial government could provide the required services at competitive costs.

Partnership with the government has advantages of establishing linkages and relations with the government for longer term sustainability and building capacity. Trades that are not offered by the government could be accessed via local private sector institutions to develop local capacities, which was done in the case of training in heavy machinery in Karak, where trainees were trained in adjoining Kohat.

The use of local private training institutes provides the opportunity of local institutes investing in machinery and capacity; however, being commercial institutes they require close supervision; some trainees complained that the training course did not provide sufficient practical training which suggests low use of expendable materials while insufficient training time was also highlighted as an issue by several trainees.

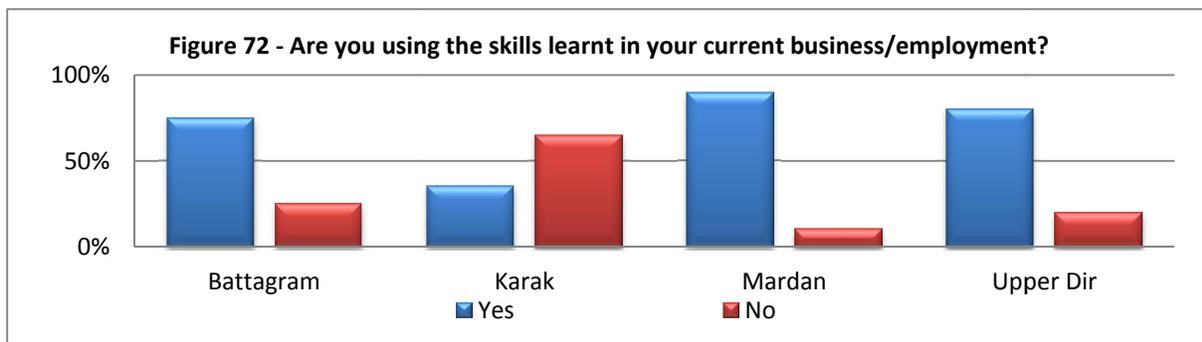
Overall the training offered under BKPAP has yielded very positive results. Based on SRSP reports, nearly 74% of the trainees are now employed. The following table summarizes the trades, trainees and the current state of employment as reported by SRSP.

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Table 37

District	Trades	Trainees	Employment
Mardan	Heavy Machinery Operators; Electrician; Motor Winding; Steel Fixer; Mobile repairing, Plumbing, Beautician, Stitching	620	70%
Karak	Auto Electrician, Building electrician, Heavy Machinery operator, Plumbing, Embroidery	210	78%
Battagram	Computer Hardware, Mobile repair, Building electrician, Food processing, Tailoring	200	74%
Upper Dir	Washing machine repair, carpentry, Electrician, Refrigeration, Stitching	300	83%
Summary	Out of 5,587 trainees, 1,330 were followed up with 74% employment results	1330	74 %

According to the FGD approximately 25% - 30% respondents said that they were employed as a result of the training which is still a good achievement. However there is a need to define employed – whether the trainee is utilizing the skills acquired, such as making detergent at home for domestic use, sewing and stitching for personal use or gainfully employed in a business or job.



There was no evidence found of establishing market linkages or entrepreneurship training being provided for the trainees, which should be an important consideration for the next phase. Though

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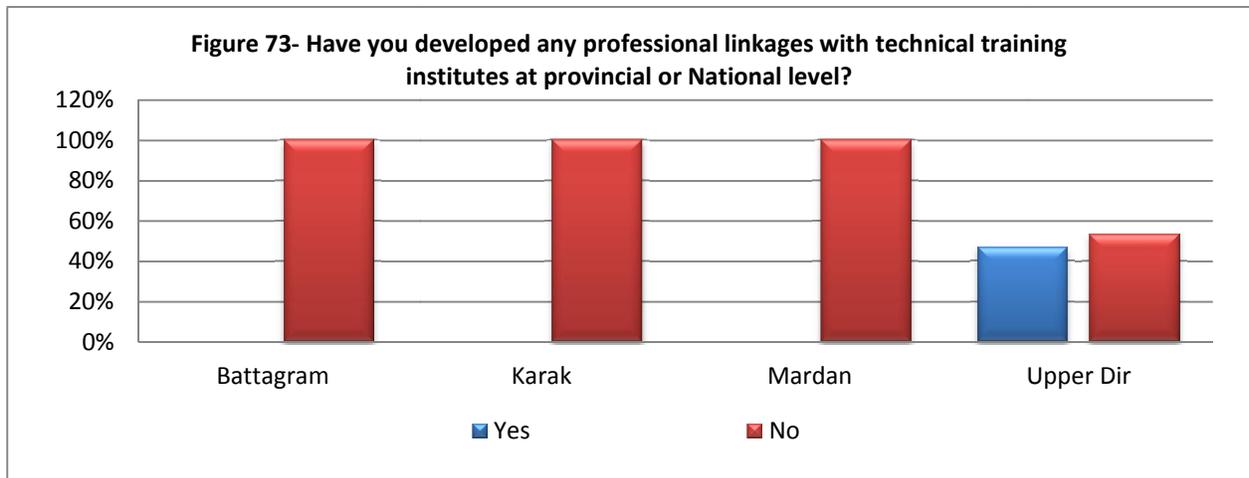
a large proportion of the respondents have reported that they are using the skills learnt in their business and employment, which is an encouraging result, SRSP may consider further strengthening this area through linking training with the market and providing counselling support to beneficiaries to enhance the effectiveness of the intervention.

Another important observation and feedback on this sub-component is that the Technical Training is surprisingly not linked with the IGG, CIF or the Micro credit program. This is an area of improvement for Phase II of the programme and also feedback for SRSP to better coordinate training across its programmes, with HRD taking on the role of a support function.

Full credit must be given to the local managers who ensured that the most vulnerable such as the disabled, also participate in the training activities. This is something that frequently came out during FGDs. Although there was no specific focus on the disabled, the program made a special effort to ensure inclusion. This is an area that needs to be further highlighted in the second phase of the programme as part of SRSP's focus on vulnerable groups. There were mixed responses regarding selection of the poorest and training being according to the need. Approximately 75% respondents were satisfied however a quarter voiced their reservations.

Unexpected benefits of the training include that women now do better time management after the training and also feel that their interpersonal and verbal communication skills have improved.

Sustainability of the intervention has different dimensions. From the quality of training that delivers the knowledge and skills acquired for sustained benefits; to certification and



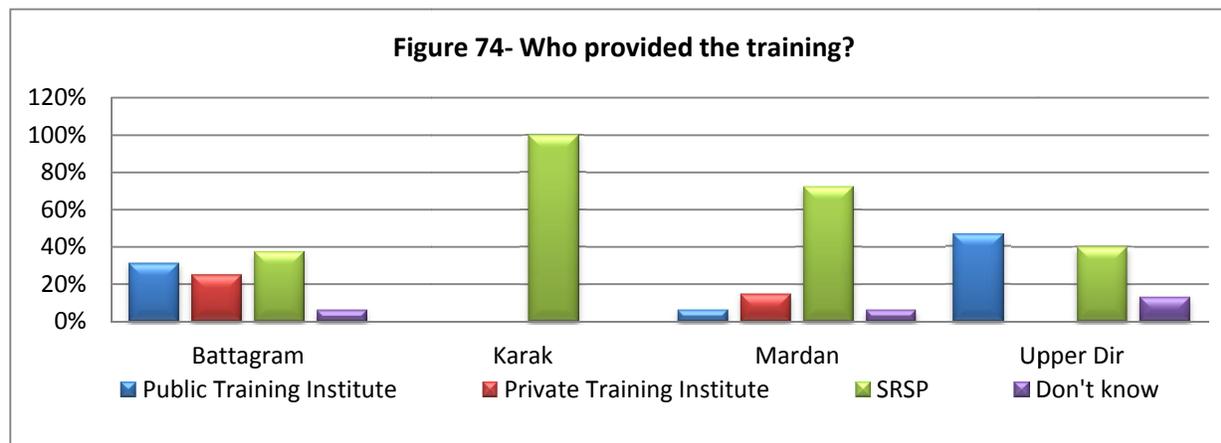
accreditation; to the relevance of the training for nearby and other markets; support available for counseling, placement and linkage building with potential employers and markets as well as easy access to additional training for continued capacity building. Given the high levels of poverty community members will need further assistance on many of these fronts. Although a very good start has been launched, there is not enough evidence to conclude that SRSP or the LSOs and MCOs/WCOs are in a position to extend such support to the BKPAP trainees.

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Evidence also suggest that linkages with the relatively accessible Technical Training Centers (i.e.

Trade	Trainees	Duration
Electrician	30	1 Month
Welding	15	1 Month
Mobile Repairing	33	1 Month
Plumbing	22	1 Month

the TTCs in the public sector)



remain weak or non-existent. Future programs should build on this potential to ensure affordable and closer to home service for many of the poor families. Arguably there are several capacity issues at the government TTCs, however through continuing engagements, these could be overcome, thus ensuring a sustainable access to communities for future training in trades and skills that are developed through project funding.

SRSP had advertised some trainings in Karak and received a proposal from the government TTC, but the proposal was apparently miscalculated and an opportunity to partner with a public sector institution was not availed. In Karak, tenders were called for technical training in the fields of Electrician, Welding, Mobile repairing and Plumbing on 9th May, 2010. The break up was as follows:

Table 38

Whereas The Kohat Institute of Technology based in Kohat quoted Rs 6,000 as admission fee and Rs 12,000 per trainee per month, the Hunermand Polytechnic and Management Science Institute Karak quoted Rs 6,000 admission fee and Rs 2,000 tuition fee per trainee. The government however quoted Rs 700 as admission fee and Rs 1,830 as tuition fee. Other costs such as pays of the teacher, principal and assistant were quoted as Rs 6,000, Rs 7,000 and Rs 4,000 respectively which would be divided over the total number of students for each course. This cost is substantially lower than what was quoted by private institutes. There could be a chance that the decision of not working with the government was in error. However a similar trend has been observed in other places like Mardan, where the reason stated for not engaging with the government was the minimum educational requirement for trainees by TTC. A review of

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the educational qualification of the BKPAP trainees show that many could meet these requirements.

Some projects have also experimented with an alternative cost effective strategy of tapping and further building on the capacity of community-based master trainers with some success. Perhaps the future phase of BKPAP could consider such an approach which may cost effectively respond to the recurring needs of local communities in selected trades in high demand. This could also serve as an income generating opportunity for skilled individuals and ensure a UC or local area based approach for future training programs.

6.2 Micro Health Insurance (MHI)

As a highly innovative intervention, the primary objective of this sub-component was to create a mechanism for the poor to better absorb the recurring financial and psychological shocks arising from health emergencies. In the process efforts were made to sensitize, support and strengthen delivery of health services, especially for the poor and vulnerable. The rising costs of health care and the consequences of poor health in terms of mortality, particularly among women and children is widely viewed as a major contributor to the vicious poverty cycle. The micro-health insurance cover provided huge support for the communities in terms of high levels of savings on health. Viewed in this perspective, the MHI program was a God sent opportunity for the thousands of poor families who have very directly benefitted from the program.

Based on this review, the program clearly responded to a huge felt need and has performed very well. While the BKPAP came to a close during the last few months of the previous government, large expectations are now raised from the new PTI government, especially in terms of extending the Micro Health Insurance programme.

The health insurance programs, though innovative for KPK, was not new to the two partner organizations including the RSPs and Adamjee insurance which has assisted with other similar programs across Pakistan. Led by the Mr. Mehmood Sultan Khan, who heads the Corporate Head of Adamjee Insurance Company, Adamjee Insurance started working with the Rural Support Programmes in 2005. The Sindh Rural Support Organisation (SRSO) was one of its first partner in delivering similar services in parts of Sindh province. Strategically, this is an important project for Adamjee Insurance as it works across the RSPs offering different products and may also be considering the BISP Waseela-e-Sehat as a future partner.

Adamjee Insurance was selected for this project on a competitive basis; Jubilee Insurance having a permanent presence in the KP quoted Rs 700 premium per person whereas Adamjee Insurance quoted Rs 300, less than half. In year two the insurance coverage was expanded to cover the entire household. Accordingly, the annual premium was revised later to Rs 850-1000 per household, again apparently at a competitive rate.

The programme resulted in high cost savings for the communities, protected them from taking loans for medical treatment, and was also effective in ensuring better treatment for the poor in good hospitals which they could otherwise not afford. The programme was especially effective for women as it also provided maternity cover. Health sector indicators show high mortality rates for women in rural areas who often die due to poor health services at the time of child birth – Pakistan has one of the highest mortality rates for mother and child during child birth, as untrained community women provide this service and are unable to handle any complication should such a situation arise.

Based on the program documentation, eligible poor households and their family members living under or just above the poverty line were covered through micro insurance scheme. Initially the program only covered the head of the household however subsequently the full family was included. A premium of Rs. 200/family for the whole year was paid to the insurance company and in return the poor community members and their respective family members were entitled to

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avail specified services upto 25,000 PKR/annum. As the system was designed, the communities did not deal directly with Adamjee Insurance as this role was played by SRSP, thus drastically reducing the transaction costs for extending this facility to the community organizations.

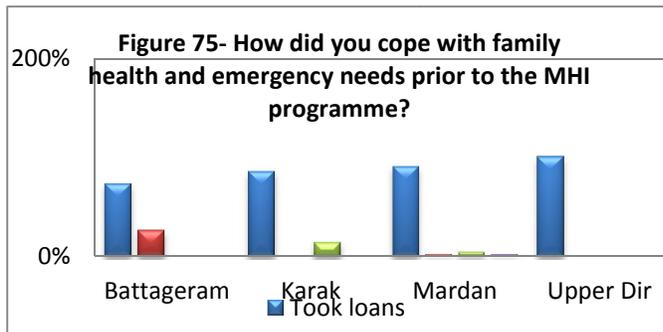
Health emergencies are a major contributor to the vicious poverty cycle. The micro-health insurance cover provided huge support for the communities in terms of high levels of savings on health. The micro insurance has thus facilitated some degree of social protection for the targeted families. The FGDs show that in many cases families who were previously forced to sell family assets, typically livestock, were offered a good refuge through the MHI program.

Immediate impacts

The Micro Health Insurance was a much needed intervention for the poor families in the targeted districts. The demand and impact of the scheme can be gauged from the outputs which were overshoot by 358%.

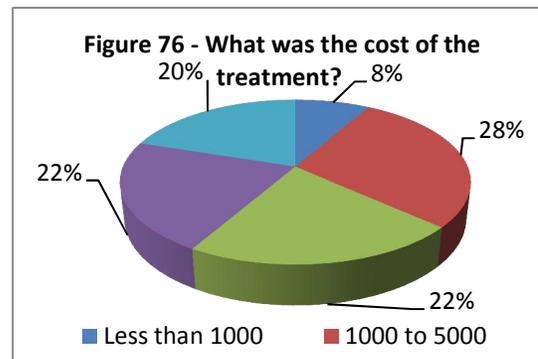
Table 39

Activity	PC-I Targets	Achievement	%age
Micro Health Insurance	54,800	1,96,250	358



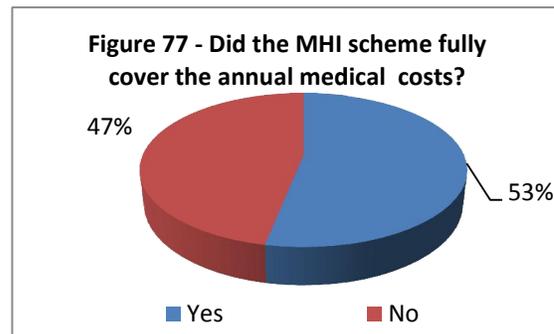
cope with medical emergencies especially for women giving birth. Nearly 44% of the poor reported an annual expense of Rs 5,000 and Rs 20,000 per year.

This scheme has greatly reduced the burden on poor families who previously resorted to loans or sold off their assets to



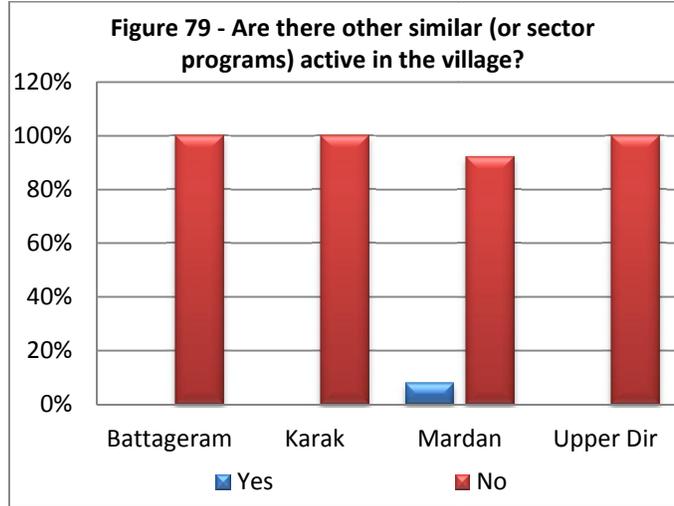
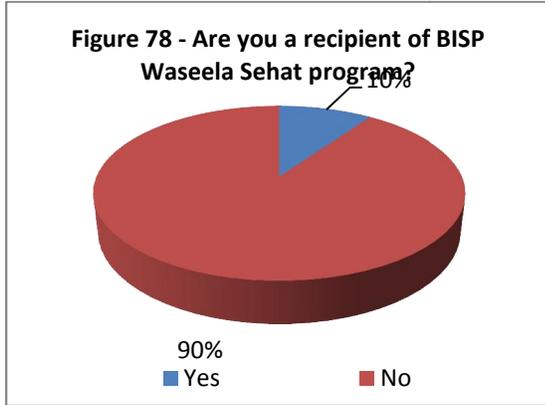
Over 50 % of the respondents noted that the MHI scheme met all these costs, whereas 47% felt that the full costs were not met under the MHI scheme. 87% of the respondents said that they were satisfied by the scheme.

Only 10% of the respondents in the communities were receiving benefits from the Benazir Income Support Programme’s Waseela-e-Sehat facility; the rest of the 90% of community members had no support previously and were only serviced under the BKPAP. The 10% respondents belonged to



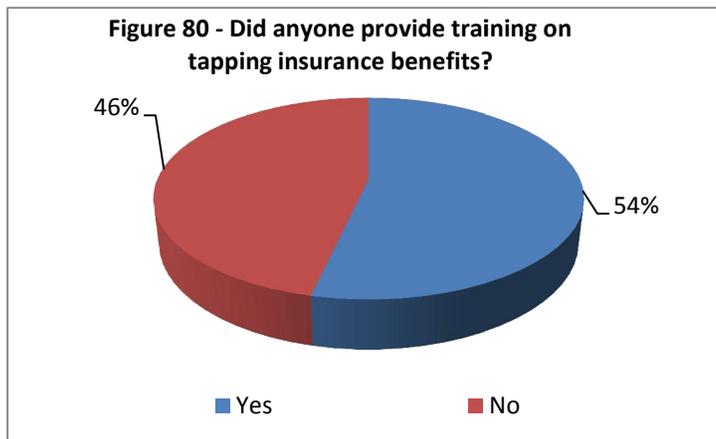
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Mardan district. Furthermore, around 10% of the respondents in Mardan had also taken insurance for themselves; Mardan being the second largest city in the KP province had this facility extended by the insurance companies.

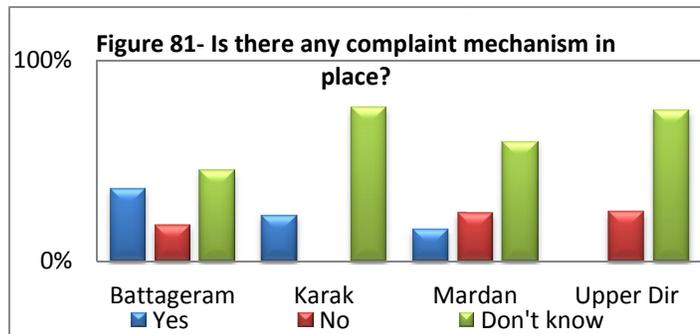


The programme was implemented with minimal staff. One person was responsible for covering the whole district to verify registered claimants; and to validate that the designated hospitals were in fact providing these services and maintaining the standards agreed with the hospitals as per the requirements of Adamjee Insurance Company. One doctor was assigned to verify cases for hospitalization. The workload was clearly challenging for one individual due to which some quality issues emerged, which may be addressed in the second phase of the programme.

For example, 46% of the respondents stated that they had not received any orientation on tapping the benefits of the MHI program. Thus all community members may not have accessed all that MHI could offer. Appropriate awareness and information sharing campaigns should be designed for a potential next phase. However, it is recommended that ideally two or preferably three persons may be appointed at each district to adequately cover the programme requirements.



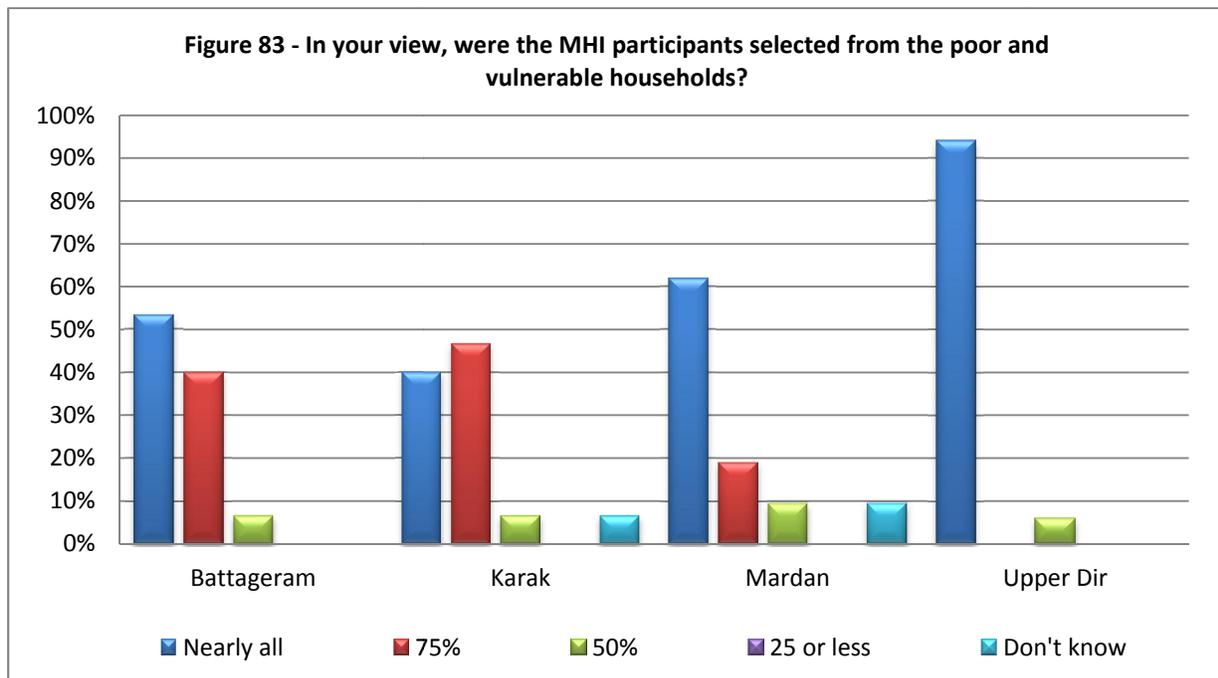
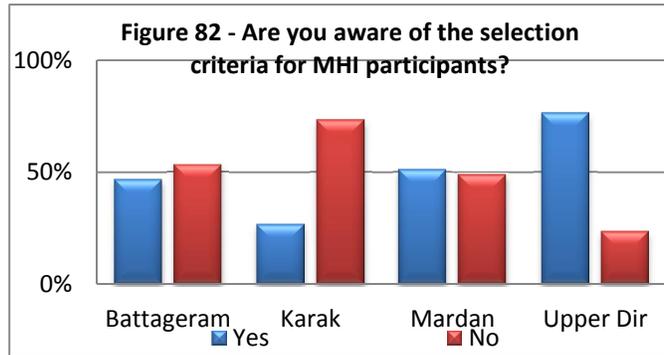
Similarly, a significant percentage of the respondents were unaware of any grievance or complaint mechanism. Most of the complaints were directly



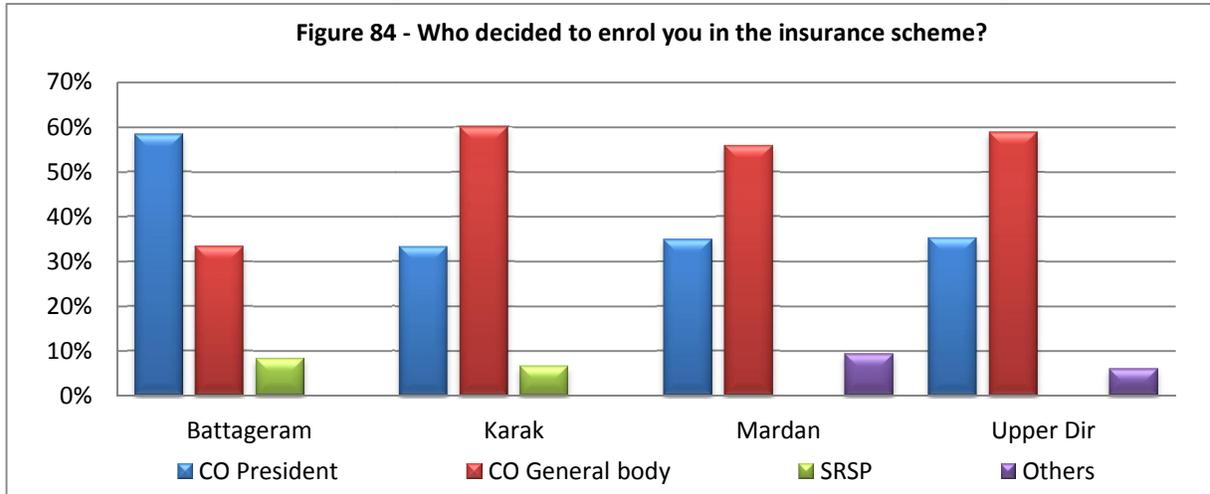
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communicated to the SRSP staff who used to take up each individual issue with Adamjee insurance. The next phase of the program should consider formal mechanisms including simple drop box or help desks to receive beneficiary complaints as well as solicit feedback and suggestions.

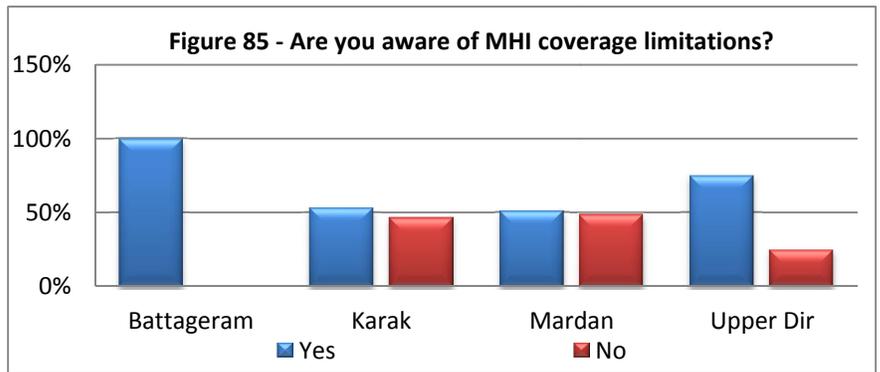
Although a large percentage of the beneficiaries were unaware of the criteria for inclusion in the MHI program, the selection was done well and except for a small margin of error, poorest members of the community were selected. The margin of error is negligible since the finding is based on beneficiary perceptions. Secondary data reflects accurate targeting of the poorest households.



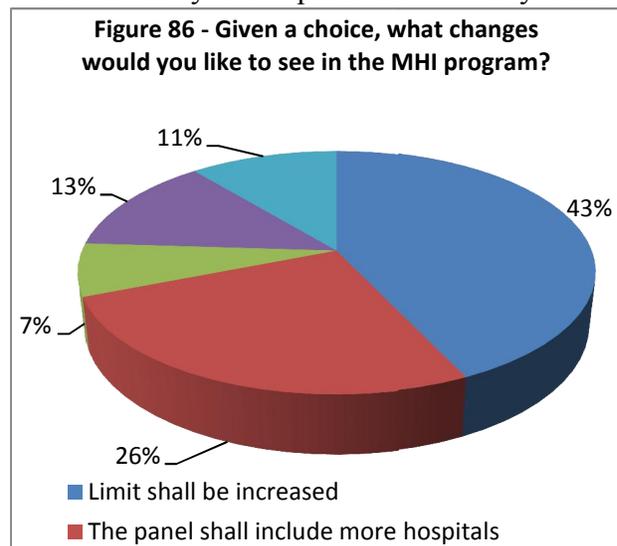
This program was completely community owned and community led with the community organization taking the decision of who should be enrolled under this scheme according to the poverty scorecard criteria. The role that the communities played was to prepare and process insurance cases and at times also follow up on payments. This role was closely supported by SRSP in terms of processing cases, preparing cases and following up on payments.



Apart from Battagram where people were all aware of the limitations of the MHI programme, half the respondents in Karak and Mardan were not aware of the limitations of the MHI in terms of what it covers and what falls beyond the purview of this insurance coverage.



Access to hospitals was an issue raised by the communities with 26% requesting for the panel of approved hospitals to be expanded. The main reason for this is that the hospitals are based in the urban centers of the districts to which people need to carry their patients. In many cases communities did not know that the insurance cover also includes transport. Therefore communities need to be informed about transport costs. Furthermore, since this is a Public Private Partnership, the possibility of extending this facility to rural areas through Basic Health Units or Rural Health Centers needs to be explored, whereby the government ensures the availability of medicines, doctors and health technicians. Funds provided to SRSP could be used for the purpose of upgrading these facilities. Through another program SRSP is also engaged with the GoKPK in management of the Basic Health Units in several districts which could be linked with the



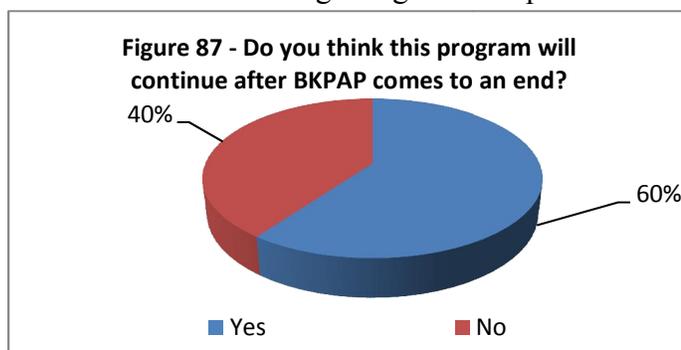
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MHI program for expanded coverage.

There was a high demand by 43% of the respondents to enhance the insurance limit. This however would not be possible for the insurance company in light of the fact that the service is already heavily subsidized by Adamjee Insurance as part of its Corporate Social responsibility. Other responses include simplification of the procedures. However Adamjee representatives noted that these have been developed over time, standardized and approved by its management. A small percentage (7%) of the respondents felt that more qualified doctors need to be included in the panel. This is an area that could be improved jointly by SRSP and Adamjee Insurance Company.

Sustainability

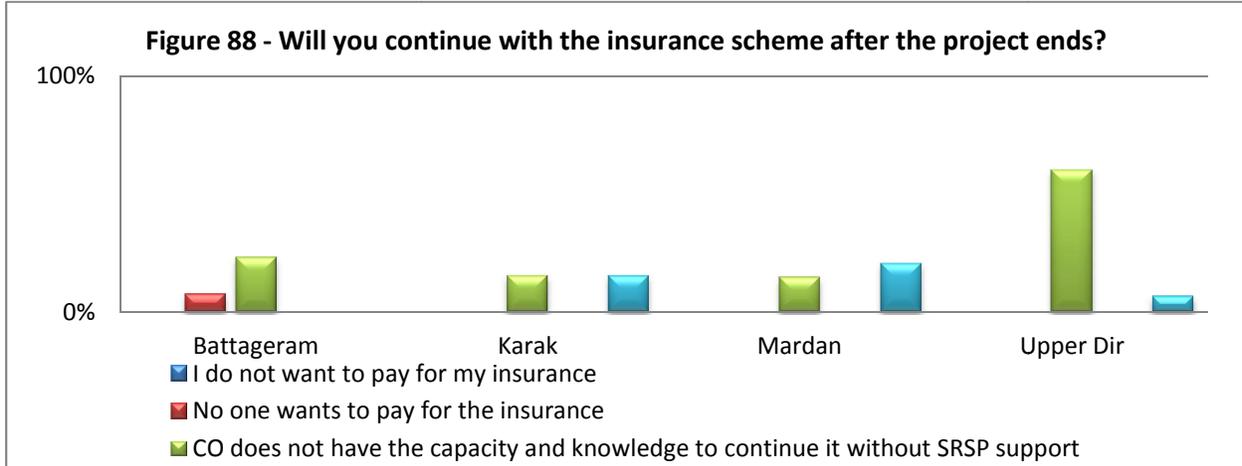
The data shared by representative of Adamjee insurance suggests that the Micro Health Insurance scheme is currently not commercially viable. However the organization is looking to expand services and its products to other areas. The business case made by the insurance company was based on the volume of business it expects to receive from the government and the RSPs over time. As the program was coming to a close, many of core SRSP staff members are being moved to other projects, while the contract staff are being let go. As a possible exit strategy, SRSP is currently looking at the few LSOs to take charge of the MHI program who are reportedly engaged in assembling data and information on beneficiaries who wish to continue with the MH program without a subsidy. In view of the current capacities, a primary reliance on the LSOs would be risky and should be preferably avoided. Meanwhile Adamjee Insurance has clearly stated that it will extend this facility to community organizations only if SRSP or another credible organization played the role of an intermediary. In either event, BKPAP managed to extend this extremely useful facility for the poor communities which is lifesaving. A further extension of this facility into the next phase is highly recommended. Meanwhile, the next MHI premium is due on July 15th, 2013. It is unclear whether this bill was paid by the GoKPK/SRSP, and what will be the future course.



There are expectations in the communities that the insurance facility will continue after the BKPAP comes to an end. Nearly 60% felt that the program will continue after BKPAP comes to an end; however 40% were less optimistic and suggested closure after the program comes to an end. Thus a high level of uncertainty prevails at the community level. During discussions with Adamjee Insurance it was clear that the insurance facility will not be extended if SRSP does not play the role of an intermediary organization.

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A district disaggregated view shows that at least 15% of the respondents do not wish to pay for insurance; while another 20 % of the COs in Battagram, Karak and Mardan and a high 60 % in Dir do not have the needed capacity to continue with the MHI program without SRSP support. This calls for more capacity development of community organizations through strong linkages and support by SRSP during the next phase of the project.



60% of the respondents in the community organizations also stated that they had never made contact with the insurance company during the programme, and another 33% said that they did know. This is understandable since SRSP and Adamjee Insurance developed and offered an innovative and need based program during a short period of time. Given further time the desired level of maturity of the COs could be realistically achieved.

Annexure-1: Terms of Reference

1. Background Information on Bacha Khan Poverty Alleviation Programme

Bacha Khan Poverty Alleviation Programme (BKPAP) aimed at alleviating rural poverty through reviving livelihoods, improving human and productive assets and developing government’s capacity for pro-poor, vulnerable and women empowerment is a joint initiative of Government of Khyber Pakhtunkhwa and Sarhad Rural Support Programme. Implemented in four districts; Mardan, Karak, Upper Dir and Battgram of Khyber Pakhtunkhwa since 2009 in collaboration with government line agencies at provincial and district level, the programme has significant achievements in all major components. With a financial outlay of PKR 1 billion, the programme initially was envisaged to be completed by June 2011. The programme has been extended twice and now it is expected to be concluded by December 2012. The programme has three major components; Social Mobilization, Livelihood Strengthening & Social Protection. Under each component different interventions have been undertaken to benefit the rural communities (details below):

Social Mobilization	<ul style="list-style-type: none"> • Formation of Men/Women Community based Organizatons (CBOs), Village organizations (VOs) & Local Support Organizations (LSOs); • Capacity Building of men and women community members; • Development of Community Resource Persons; • Networking and Linkages
Livelihood Strengthening	<ul style="list-style-type: none"> • Community Physical Infrastructure Schemes; • Natural Resource Management <ul style="list-style-type: none"> ✓ Trainings in Poultry, livestock, agriculture extension ✓ Support to farmers – demo plots, seed distribution etc. ✓ Vaccination and De-worming campaigns etc. • Rural Financial Services; micro credit & community investment funds
Social Protection	<ul style="list-style-type: none"> • Micro Insurance • Technical and Vocational Employable skills • Improving delivery of Social Sector Services

The programme, directly and indirectly, has been able to reach a million population in target districts through above mentioned components. The project has been a good example of partnership between government line agencies and civil society organisation. Through this partnership some of the gaps in infrastructure development, natural resource management, skills enhancement and social sector services have been filled which addressed community needs in resource poor union councils of mentioned four districts in KP. Besides this, the programme has also been able to enhance communities’ access to services and provided them with skills and opportunities for livelihood improvement and strengthening. Keeping this brief background and information on BKPAP in view, the Director General, Special Development Unit, Government of Khyber Pakhtunkhwa and Sarhad Rural Support Programme invites proposals for evaluating the immediate impacts of development interventions under respective components of Bacha Khan Poverty Alleviation Programme.

2. The Objective and Scope of Evaluation

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The broader aim of this evaluation would be to assess the immediate impacts, relevance, efficiency, effectiveness and sustainability or lack thereof of the programme interventions towards expected outcomes envisaged in PC I/financing agreement. Where appropriate, the evaluation will also validate achievements against targets of the annual work-plan and highlight unexpected results (positive or negative) and missed opportunities. The evaluation will also present key findings, draw major lessons, and provide a set of clear and forward-looking options leading to strategic and actionable recommendations for SRSP-BK PAP specifically and Government of Khyber Pakhtunkhwa in general. The recommendations of the evaluation will aim to further improve the poverty targeting and packages, strategies, implementation mechanism, and management efficiency of prospective government programmes and projects. The lessons learnt would be a useful source to be potentially utilized for planning, designing and implementing poverty reduction initiatives by government line agencies in partnership with civil society organisations.

3. Evaluation Questions

Based on above-mentioned brief background and tuypes of intervention under BK PAP, some of the tentative evaluation questions and possible indicators related to three major components of Bacha Khan Poverty Alleviation programme are presented below:

I. Social Mobilization

- Has the programme been successful in forming broad based community organizations with a focus on poor and vulnerable households in selected Union Councils?
- Has the programme been able to form higher level representative community organisations at Village and Union Council level?
- Did these community based organisations identify and implement prioritized activities at household, village and union council level?
- How effective are the community based institutions i.e. CO/VO/LSO in developing linkages and networking at local level?
- Are Community Resource Persons an effective way to support and strengthen process of Social Mobilisation?
- Did Basic trainings (CMST) contribute in conceptual clarity about program?
- Have office bearer's played an effective role in their CO/VO/LSO after attending leadership management trainings?
- Did participation in Cos/VOs/LSOs helped men and women members households to reduce their poverty?

Other possible indicators to be covered Poverty Score Card: Total number of Households in union Councils, Identification of poor households through Poverty Score Card, PSC as a viable and effective tool for poverty targeting, limitations of Poverty Score Card Techniques etc.

Location: Men and Women Community Based Organisations (COs/VOs and LSOs) in villages/union councils, Poor identification through PSC and Poor mainstreaming in COs, VOs, LSOs

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Leadership and Managerial roles: Poor men and Women households in decision making and managerial roles

Coverage: Number of households in selected union councils, coverage of men and women in respective union councils and villages

Linkages: Linkages developed by Community Based Organisations

II. Livelihood Strengthening

Community Physical Infrastructure

- Are CPIs undertaken in BK PAP on ground? Operational? and what is condition of these CPI schemes (planned vs. actual)?
- Did BK PAP follow original design for respective schemes, costs, implementation and management as envisaged in PC-I?
- Did CPIs under BK PAP address the intended target group and what was the actual coverage?
- Who were the direct and indirect/wider beneficiaries (men/women) of the CPIs implemented under BK PAP?
- What immediate difference has been made to the lives of those benefited from these CPIs? What are the impacts on men and women and specific vulnerable groups?
- Have these CPIs contributed in institutional strengthening at community level?
- What is the level of ownership of these CPIs? Have communities devised O & M mechanism for maintaining these CPIs?
- What is the level of satisfaction of beneficiaries with services provided under CPIs component?

Other Possible indicators to be covered Spatial: Location, Component wise specification and costs of the project (size, volume, quantity, design, maps, SRSP and or community share).

Physical Condition: Design and technological appropriateness, Initiation and completion dates, Components/Dimensions, Functionality, Quality, Technical support to communities in execution of CPIs by field staff and engineers, CPI Records/Physical, Assessment/Photographs.

Beneficiary: No of men and women beneficiaries, Villages, hamlets or areas benefitted, Type/purpose of use.

Community Participation: Management and Maintenance mechanisms (by project committees), Operation and maintenance activities, Community participation and contribution (cash, labor etc), criteria of contribution (equal share, ability to pay etc)

Direct and Indirect Benefits: Benefits at HHs level for men and women, Benefits at Community level for men and women, accessibility, quality, equity etc.

Immediate Impacts: Education, health, economic wellbeing, social wellbeing.

Issues and Challenges: Issues & challenges before & after implementation of schemes

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Rural Financial Services

- Effectiveness of the inputs in terms of addressing the financial needs of the target group vis-à-vis sources which were previously available;
- Effectiveness of the processes adopted for selecting members and subsequently CIF beneficiaries (men and women);
- Did the inputs bring any improvement in the household income when compared with the past?
- What is the level of satisfaction of beneficiaries with services provided by an institution (VO) that is local and easily accessible?

Other possible indicators to be covered Beneficiaries: Men and Women beneficiaries, beneficiaries' positions in Community Based Organisations, Coverage of poor and vulnerable through RFS, repeated loans etc.

Skills: Enhancement of financial management skills at local level especially of women, proper identification and disbursements.

Resource Generation: CIF revolving funds, coverage of poor and vulnerable, CIF mechanism (loan disbursements, target group, interest rates, recoveries, re-disbursements).

Immediate Impacts: Education, health, economic wellbeing, social wellbeing, control and access over resources and profits, financial decision making, diversification and expansion.

Issues and Challenges: Issues & challenges.

Natural Resource Management

- Were the packages offered under NRM appropriate to the community requirements and needs?
- Was the identification of beneficiaries for NRM activities according to criteria?
- Were the trainings offered under NRM appropriate to the needs of communities? Were any productive linkages developed with concerned line departments i.e. Agriculture and Livestock to deliver these trainings?
- What is the level of utilization of trainings imparted under NRM component of BKPAP.
- Were the beneficiaries of agri-input packages properly identified and deserving? Did they properly utilize the package?
- What is the satisfaction level of beneficiaries with the packages provided?

Other possible indicators to be covered Beneficiaries: Men and Women beneficiaries, beneficiaries' positions in Community Based Organisations, Coverage of poor and vulnerable through NRM packages.

Skills: Enhancement and utilization of skills

Immediate Impacts: economic and social wellbeing, improved productivity, improved breeds, improved NRM practices, cropping patterns, health, education etc.

Issues and Challenges: Issues & challenges.

III. Social Protection Technical and Employable Skills Training–

- Has the process and criteria laid down in PC I been followed for identification & selection of beneficiaries?
- Were the courses/trades offered under the training programme appropriate to the needs of men and women communities? And are these trades/courses market oriented?
- Were any productive linkages developed with technical training institutes and how appropriate and effective were the institutions in delivering these trainings?
- Are trained individuals utilizing learned skills? What is level of improvement in individual/HH income?
- What is the satisfaction level of beneficiaries with the skills / trades learned?

Other possible indicators to be covered Beneficiaries: Men and Women beneficiaries, beneficiaries' positions in Community Based Organisations, Coverage of poor and vulnerable through Technical and Vocational Skills training.

Skills: Enhancement and utilization of skills, market oriented and demand driven skills.

Immediate Impacts: increase in income, economic and social wellbeing, health or education.

Issues and Challenges: Issues & challenges.

Micro Health Insurance

- Has the process and criteria been followed in the identification and selection of beneficiaries?
- How effective was the mechanism (lodging a claim and reimbursements) devised for availing services under Micro Health Insurance?
- Have poor been benefitted from Micro Health Insurance services of BK PAP?
- Are services provided under MHI appropriate, timely and as per needs of communities?
- Did this package reduce out of pocket expenditure on health for poor and vulnerable communities?
- What is the satisfaction level of beneficiaries with MHI?

Other possible indicators to be covered - Beneficiaries: Men and Women beneficiaries, beneficiaries' positions in Community Based Organisations, Coverage of poor and vulnerable through MHI.

- Immediate Impacts: improved health, reduced out of pocket expenditure, economic and social wellbeing, improved mother and child health,

- Issues and Challenges: Issues & challenges.

Public Private Partnership

Apart from three major core components mentioned above, the model of Public Private Partnership which was implemented under BK PAP would also be examined. The Government of KPK has given an endowment to SRSP to build its capacity to deliver poverty targeted programmes in the province on the long run basis. This was the first programme under the Public Private Partnership model where the resources of the government were employed and the

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systems and procedures of a third sector organization was used to implement the programme. The government ownership and supervision of the project was ensured through Programme Steering Committee and District Implementation Committee and supervision of the BKPAP Unit within the SDU. The evaluators must interact with government officials who supervised this project at different stage to see strengths and quality of the partnership between the government and SRSP and how far this helped the project in attaining or failing to attain the project objectives. It must specifically address the following the questions:

- The role of the Steering and Implementation Committees
- The role of the BKPAP Monitoring Unit within SDU
- The flow of funds between the two organizations
- The systems for accountability between the two organization both physical and financial
- Monitoring and Evaluation of the Project
- The role of other stakeholders like members of assemblies etc in the districts
- Where possible comparison with other models used by the government for area development programmes and how this programme compared with them in terms of its efficiency and effectiveness
- Give suggestion on improving the partnership in the future
- It must also examine how far SRSP has been able to leverage additional resources as envisaged under the endowment to help the process of poverty alleviation in the province and suggest ways of making this relationship more effective and to align it with government plans in the province

4. Evaluation Methodology and Approach

The evaluation will use a multi-disciplinary approach including desk review of documents, group and individual interviews based on open and close ended questionnaires, focus group discussion and field visits as appropriate. Final methods to be selected must match the above stated objectives and specific questions. It is expected that the technical proposal will a) Identify methodology and sample (please address sampling limitations) and b) Level of stakeholders' participation amongst other issues. The evaluation firm is expected to use variety of methods to ensure that information collected is valid, including triangulation. An inclusive approach is expected to be followed by the evaluation, which would require inputs from major stakeholders (all relevant government line agencies) and beneficiaries of BK PAP.

5. Outcome of the exercise

An analytical evaluation report shall be produced providing quantitative and qualitative analysis on immediate impacts, relevance, efficiency, effectiveness, and sustainability of the development interventions undertaken in BKPAP as well as evidence based clear recommendations for further improvement in future design and implementation of poverty reduction initiatives in KP by SRSP, GoKP or any other major development organisation.

6. Major responsibilities

6.1 The selected firm is required to form a qualified and experienced team for evaluation of immediate impacts of Bacha Khan Poverty Alleviation Programme. The team must comprise an experienced Team Leader to execute this exercise. To support the team leader, the evaluation team(s) should include professionals with extensive experience and know how on social mobilization, community built and maintained infrastructure schemes, micro finance and micro insurance, natural resource management and social protection. In addition, the firm is also required to constitute data entry teams to compile, collate and clean information/data collected from the field. The firm is also required to arrange comprehensive training for evaluation and data entry teams to ensure collection and analysis of viable data as per objectives of the exercise.

6.2 The firm is required to lead, manage and conduct the evaluation exercise of representative sample of programme beneficiaries from each component in 4 selected districts of BK PAP. The firm is also required to devise sampling methodology along-with its limitations.

6.3 The firm would also be responsible for designing user friendly database (in SPSS or any other software) for information/data entry and analysis purposes. Data management design should be shared and agreed with SRSP before commencement of field visits. The firm would generate summary statistical tables as agreed with CEO, SRSP, DG SDU/Team Leader BK PAP, Project Coordinator and relevant section teams to establish accuracy and consistency of the collected information/data.

6.4 The firm would ensure information/data completeness, quality, and consistency of the highest standard during the exercise. In addition, it would also maintain confidentiality of information/data in hard and soft forms. The firm would also ensure information/data management and entry. It would also prepare information/data entry plan and coding dictionary using any appropriate software/package and provide raw information/data's dictionary to SRSP/SDU in compact or digital disks.

6.5 The nominated team leader of selected firm would also be responsible for ensuring quality information/data collection through cross checks and monitoring visits to at least 40% of the sites.

6.6 SRSP will provide lists of interventions under BKPAP to the selected firm. The lists would include necessary information on social mobilization, livelihood strengthening and social protection along-with locations (villages, Union Council, Tehsil and Districts). In addition, triangulation and validation of data collected and results of the exercise would also be undertaken by relevant sections of SRSP and SRSP-BK PAP teams. Critical reviews and inputs during data collection, analysis and report writing stages would also be provided through MER and section/sector specific teams at Head Office, SRSP-BK PAP teams and DG SDU/Team Leader BK PAP, Project Coordinator. The firm would be responsible to incorporate/update/recheck/clean the data set based on the comments of the relevant sections mentioned above.

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6.7 The firm would be required to produce quality report based on rigorous qualitative and quantitative analysis of all major components and sub components of BK PAP.

6.8 SRSP will coordinate the field visits of evaluation team(s). The coordination will be limited to arranging meetings and intimation to field offices for a) review of BK PAP records available at field offices and b) arranging meetings with concerned community organisations and beneficiary households in the selected villages. The selected firm nonetheless will be responsible for meeting all logistics and other necessary costs related to field visits e.g. travel, boarding and lodging, food and daily subsistence etc.

6.9 CEO SRSP, SRSP's relevant sections, DG SDU/Team Leader BK PAP and Project Coordinator will monitor and oversee the evaluation exercise. In case of significant inaccuracies or flaws in the information related to BK PAP components by evaluation team(s), the firm will be responsible for re-collection of all such information. In such a case, the competent authorities mentioned above may ask selected firm to recollect the entire exercise or terminate the contract. In such a situation, the firm will be required to return all the funds it has received from SRSP under this contract.