

**Final Report
Mid-Term Evaluation
Improving the Livelihood of Marginalized Groups in Salyan
Project**



Deutsche Welthungerhilfe e.V (WHH)

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Social Welfare Council
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Executive Summary

This report presents the mid-term evaluation of Improving the Livelihood of Marginalized Groups in Salyan Project funded by BMZ and implemented by WHH in partnership with RRN, Li-bird, and Aasaman Nepal. The evaluation team of experts was commissioned by Social Welfare Council (SWC). The project was implemented in Salyan district, targeting 6,000 Households.

This evaluation explores a relevance of the project, coherence, connectedness, coverage and inclusion, effectiveness, sustainability, efficiency, impact, transparency, financial analysis, compliance with documents, and lessons learned. It also finds out cost-effectiveness, the income and expenditure compliance with the project agreement and proportion of programmatic and administrative cost incurred by the project, and examines the financial regularities.

The evaluation team used both primary and secondary data. Primary data included focus group discussions among Project staff, Governance group, Nutrition group, and Agriculture group including value chain actors, key informants, municipal and district level stakeholders. A total of 18 sample units were studied and 82 people consulted during the entire evaluation period. Overall, the project is somewhat effectively implemented by the partners. WHH's administrative, program costs, and financial compliances are well above the minimum required standards. The evaluation findings and recommendations are presented below.

Relevance

The overall design of the objectives of the project was appropriately set at the impact level. The overall objective 'Food and nutrition security have been substantially improved through enhanced livelihood' is the best fit with local problems of food insecurity, malnutrition, and ad-hoc solutions. There is a limited monitoring of prospective change at impact level due to lack of predefined indicators.

The purpose of the project design is well linked with the concept of agriculture, value chain, nutrition and limited concept of governance. The intent of the project entering into the DAG area was a very relevant and the title of the project shows that the project focuses on marginalized communities. The issues of the marginalized groups were highlighted in the discussion of the rationale of the project design. However, the SWC and WHH Project Agreement document has limited clarity on the entire project target number and definition of the target groups, and households including marginalized groups. A clear ultimate target disaggregated by gender, Dalits, and other marginalization, and the criteria for selecting the marginalized beneficiaries would guide a smooth project implementation. The entire results are focused at community level intervention except for SIFS leader farmers, and nutrition-related result 4, in which budgetary resources are limited. It is also noted that WHH team has frequently been asking the partner to focus more on marginalized groups in the remaining days.

The discussion with key stakeholders at district, ward, and rural municipal level also revealed that limited irrigation facilities, less mechanized agriculture, low level of production, and limited knowledge on food production and consumption diversification, and market functions issues were their own priorities and wanted the longer-term solution. The purpose to increase agricultural productivity and incomes through irrigation, vegetable and goat farming, ICS, nutritional food to under 5 children, collection centers were somewhat relevant to addressing the mentioned issues.

Effectiveness

Majority of the activities were implemented as originally planned. The overall delay in delivering expected results was not reported. However, the project activities were started 1 year before the project agreement operation effective date. The evaluation team concludes that the overall results performance of the project is somewhat effective. The project staff, key informants, municipals and district stakeholders, and experts have observed that the project interventions are somewhat effective in ensuring the results. It obtains average score 2.9 out of 5 level of effectiveness of the delivery of four results; governance (2.6), agriculture (2.9), value chains (2.8), and nutrition (3.3).

Sustainability

The project has raised awareness among mothers groups on nutrition, use of locally available food for preparing nutritional diet to children, the involvement of local groups to manage collection centers, and reduced use of firewood may help to sustain the results that are effectively achieved until now. The sustainability of farmer's groups and cooperative seems challenging since project itself has promoted the parallel service structure among cooperatives and MFIs in the immature market. The project partners and local stakeholders have to discuss and plan a clear exit strategy together and implement it. The project may need to be adapted to new local government framework and preconditions for livelihood development at municipal level require assurance before exiting the ground.

Efficiency

The admin cost ratio is 13.93% in the project as of December 2017. This ratio is well below the SWC requirement. In this case, the project became efficient in maintaining lower administrative cost ratio.

The overall project output delivery and activity implementation, inputs utilized in positive-change result management as designed in the project was somewhat satisfactory except in the case of achieving the target of ICS installation, access to loan, inputs by the marginalized beneficiaries, and SIFS model's input support to the farmers as detailed in the project design.

The evaluation team found that there had been the frequent visits by WHH management team, implementing partners' management in the field almost a quarterly basis, as briefed in the field. All these field inputs were focused on review and sharing of project progress, follow up implementation on previous discussions and reporting. The project partner's management field monitoring inputs and reports are not being shared among the management of project implementing partners, which is creating confusion on project operational guidance in the field.

Some of the activities like input supports, assessments, meetings, and capacity building specifically under result 2 and 3 can be merged or coordinated jointly but the efforts towards the coordinated approach of management are limited. The project should follow the management approach of promoting cooperative groups or microfinance groups in the same location. Otherwise, both the weak service providers face unhealthy competition in the immature market and hinders capacity of community groups' in-terms of financial services delivery.

The agriculture technician services are available in the field for a socialization of the project but the farmer has limited access to dedicated technical assistance on the field during the different seasonal

crop cycle. This could have been better if the social mobilizers were recruited from the same location, trained them for both social mobilization and basic agriculture skills. The major factor in the success of the nutrition camp and referral was the local support provided by the local village community health worker and their indigenous knowledge of the community.

The project has allocated 10% of the total budget for the individually targeted beneficiary. The majority of the resources are allocated for human resources for both the administrative and program actions, and remaining are allocated for the community action.

Impact

The evaluation team has observed an indicative change in the areas of consumption pattern of the children and women who had attended the nutrition camp. The nutrition camp attended children gained weights as per the mothers' group discussion. There was a very positive impact on SAM referral cases. The women also started consuming vegetable, lentil, and rice during a meal. There was no negative impact of the project.

Transparency

The public audit was being practiced at user groups, irrigation, and collection center scheme level. The project has been sufficiently discussed among district stakeholders level. The project information is shared among the project partners and WHH. The financial and accounting system within WHH is transparent and supported by evidence.

Lessons learned

- The involvement of local people at feasibility and planning stages provides more ownership to local stakeholders,
- Senior management of funding and implementing partner, project field team, and local stakeholders should have an equal level of understanding on selecting right target groups and practicing the principals of working with disadvantaged groups (DAG), value chain approach, and community development requires a balanced resources allocation and attention for a sustainable change,
- SIFS model requires long-time for its success –it is still unclear whether it fits for the marginalized farmer or not.
- Community Score Card (CSC) is well accepted by the community and impact of this action need to be carefully assessed before its replication to other area or project.
- Nutrition camp for MAM children worked very well in the project.
- Multi-partners and multifunctional project requires a fresh recruitment of staff if possible local for a better coordination in the field of action.

Recommendations

Based on the finding analysis, the evaluation team recommends the followings:

- WHH and its implementing partners should screen DAG i.e. Dalit households among the 129 group members, and other Dalit groups and re-design activities targeting these household's livelihood improvement in the remaining period of the project within existing governance, agriculture, value chain and nutrition framework of the project. This change has to be reported to project funding donor BMZ and SWC if requires any approval.

- WHH partners should monitor income data only from directly input recipient individual household and supported economic activity and crop sales. This may help to justify the change brought by the project.
- WHH monitoring team will assess all the seed production plots and keep records of the improved seed production, plantation areas, multiplication quantity and sales in future.
- It is recommended to monitor how many of the marginalized beneficiaries have received the government services annually to see the change brought by the awareness inputs.
- It is advised to monitor and collect data like municipal level agriculture services received by the farmers, ward office services, access to irrigation facility and access to forest facilities by the beneficiaries. The monitoring data need to be disaggregated by gender, ethnicity, and DAGs (male and female), and linked group.
- The social mobilizers must be recruited by the implementing partner from the same ward in future project implementation.
- WHH must seriously take action to assess efficiency and impact of each activity implemented under results 1-4 except irrigation, nutrition camp and referral, before re-allocating further resources among various activities.
- Intensive training should be given to majority marginalized i.e. Dalit farmers for livelihood enhancement focusing on lease farming/ contract farming concept for a bulk production and proper use of fallow land of elite farmers in the group.
- The project should focus on small irrigation, intensive vegetable production selecting targeted commodity and marketing and collection center management through cooperatives.
- The project should select a proper variety of crops that are suitable for different ecology in the project area.
- The project should focus on White Grub management in a campaign in coordination with resource organization and municipality specifically in Kalimati area.
- Collection center must be operational as soon as possible for a proper marketing,
- Field technicians must be mobilized and monitored to provide the farmers with the technical solution in time.
- WHH should facilitate coordination within NGOs (RRN, LI-BIRD, and Aasaman) to get a success of the project.
- In future, WHH and SWC both have to undertake careful resources planning during Project Agreement design and the majority of the resources must be allocated for individual marginalized household's family enterprise development in case of livelihood projects.
- Strict adherence to the provisions of Social Welfare Act, 2049 should be ensured.
- The project partners should book the cost incurred and related to project only,
- Procurement guideline (Quotations) must be followed in order to ensure the cost efficiency and proper internal control system. Related party transactions need to be backed with documents which can prove the benefits of making such transactions.
- Income tax act and its guidelines must be followed in order to prevent from unnecessary fines and penalties. Hence, each and every provisions and rule of national laws should be completely followed.
- Budget variance analysis need to be done monthly basis and limit the expenses as approved by donors in prescribed activities.
- The management should focus on the building of personnel employed in the finance department to ensure the proper recording of diverse and infrequent accounting transactions and overall transparency in the accounting system.

- WHH and its implementing partners should leverage resources coordinating with other development actors in the district.