**Evaluation of IKEA-UNDP initiative on Integrated (Social, Political and Economic) approach to women’s empowerment**

***August 2014***

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**1. Background**

The project “Strengthening women’s social, economic and political empowerment in Jaunpur, Mirzapur and Sant Ravidas Nagar of Uttar Pradesh” (Phase II or Swaayam) builds on the UNICEF Child Rights project, also known as the Bal Adhikar Pariyojana (BAP), supported by IKEA Social Initiative (Phase I). Phase I of the project was implemented during 2000-2007 in 500 villages across three districts of Uttar Pradesh (Jaunpur, Mirzapur and Sant Ravidas Nagar).

Phase I focused on the sustainable prevention of child labour. To achieve this goal, the project had cross cutting and multiple objectives such as raising community awareness on child rights, women’s empowerment, ensuring better health practices like immunization of children and, access to quality primary education.

During its implementation, it was recognized that one of the main factors that results in child labour is poverty of the household. Other factors include lack of awareness about entitlements and rights, illiteracy among parents in the household, social discrimination, lack of a social security network and, to some extent, traditional cultural practices. Since the woman of a household plays an important role in taking decisions regarding education and health of her children, she needs to be “empowered” to take decisions in both domestic and public spheres. It was felt that a sustainable reduction in incidence of child labour could be achieved if women are made aware about child rights and better health practices and if they have access to greater income opportunities.

However, the project end review[[1]](#footnote-1) found that Phase I of the project required more work in terms of expanding the vision and scope. The women empowerment component primarily involved the formation of SHGs. The focus of SHGs had remained limited largely to thrift activities and not for any income generating activity. Information on government schemes and banks also needed strengthening and there was a need for better coordination between SHGs, panchayats and district authorities. Coupled with this is the fact that the participation of women in “political” decision making was minimal. Hence, the second phase of the project, Swaayam, envisaged an integrated approach to empowerment that covered social, political and economic dimensions. Thus started Phase II in mid-2009 and this was implemented by UNDP in the three districts of eastern UP mentioned above.

**2. Phase II: Swaayam**

Broadly speaking, Swaayam, had the following objectives: enable women to (a) achieve a secure and enhanced income and (b) participate effectively in decision-making in both, domestic and public spheres. Six blocks were chosen --- Rampur, Ramnagar and Barsathi in Jaunpur; City block in Mirzapur; Abholi and Gyanpur in Sant Ravidas Nagar. A total of 500 villages were covered in these six blocks. The program’s mandate was to cover 50,000 women by the end of 2013. Of these 50,000 women, about 15,000 women had already been covered in Phase I. Of the additional 35,000 women, at least 30,000 were to be part of the poor and vulnerable households.

The Swaayam project had the following broad strategies:

1. Deepen and broaden the process of social mobilization to cover 50,000 women organized in 4000 SHGs that are further grouped at cluster and federation levels.
2. Expand economic opportunities that lead to sustainable increase in their household incomes by linking the women SHG members to producer companies.
3. Enhance political participation and representation of women so that they can contribute effectively in local decision making and demand quality public services.
   1. **Formation and management of SHGs**

During Phase I, basic training on keeping and updating accounts as well as group-management skills were provided to the SHG members by non-governmental organizations (NGOs). Once phase I was over (in 2007), the external support of NGOs also got over. Hence, there was a need to revive existing SHGs (15,557 members) covered in Phase I.

Revival of SHGs during the *Swaayam* program was done by contracting non-governmental organizations (NGOs) and/or Community Facilitating Organizations (CFOs) for four months (November 2009-March 2010) through a non-bidding process since these NGOs were already selected during Phase I of the project. The basic task of the NGOs was to activate the existing SHGs and build capacity among their members. This training of the SHGs involved various economic, social and political aspects. Most of the trainings were provided either through technical resource agencies (TRAs)[[2]](#footnote-2) or NGOs. The TRAs would either train the NGOs first, who in turn would train the SHG members or, the TRAs would directly train the SHG members. The content for most of the trainings was provided either by the TRAs or NGOs. However, to understand what empowerment meant, a 12-point women empowerment charter document was finalized in March 2010 using a participatory approach.[[3]](#footnote-3)

The expansion plan of UNDP started in November 2010. They had a mandate of adding 35,000 more members where at least 30,000 women would be from the poor/vulnerable[[4]](#footnote-4) households. For this, a vulnerability matrix was designed. The indicators in the vulnerability matrix were scored from 1 to 5, where a score of 5 on an indicator indicated ‘most vulnerable’ and a score of 1 indicated ‘least vulnerable’ on that particular indicator. The household score of vulnerability was obtained by adding the individual scores on all the indicators.

* 1. **Formation of SHGs into federations**

Over time it was realized that to make the intervention sustainable, the external support of NGOs had to be reduced. Hence, the process of forming federations and producer companies started in early 2012. Some of the reasons for forming federations (apart from being one of the project objectives) were as follows.

1. The growing number of SHGs made it difficult to support them in the way it was done earlier (through external support).
2. SHGs (individually) still experienced difficulties in leveraging funds from the formal banking sector.
3. The ability of SHGs to negotiate with higher level structures needed to be strengthened so that the SHGs could gain bargaining power.
4. SHGs had to remain sustainable even after UNDP withdrew from the project.
5. Hiring professional services and achieving “scale” advantages were deemed important.

An SHG was to be graded on a 25-point scale of maturity and score a minimum of 15 points to be considered as part of a federation.[[5]](#footnote-5) SHGs could not be a member of a federation for about six months after the formation of the SHG. On the ground, there are six federations formed in total, one in each block. Specifically, the federation is supposed to provide three types of services to its members.

1. Free services that include advocacy, linkages with financial institutions, assistance in village development work, etc.
2. Paid (mandatory) services that include capacity building of SHGs, annual audits of SHGs, etc.
3. Paid (optional) services that include micro-insurance, livestock, life, and health insurance services.

However, currently, the federation performs only social and no financial roles.

* 1. **Formation of producer companies**

In 2010, a scoping study (by an external agency) was conducted to identify “value chains” that would provide economic opportunities to women members. The scoping study identified five value chains for the project members: Dairy, Carpet, Craft, Incense and Papaddum. A more detailed analysis of these value chains are provided later in this report. The economic component involved formation of producer companies and training the beneficiaries in the five value chains. A summary table on number of SHGs, number of members and training received by members spread across the intervention villages is given in Table 2.3.1.

**Table 2.3.1: Distribution of villages, SHGs, number of members and trainings received**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **District** | **Jaunpur** | | | **Mirzapur** | **Sant Ravidas**  **Nagar** | |  |
| Block | Barsathi | Ram Nagar | Rampur | City | Abholi | Gyanpur | Total |
| Villages | 98 | 100 | 100 | 100 | 47 | 50 | 495 |
| SHGs | 561 | 820 | 670 | 728 | 294 | 354 | 3427 |
| Total number of members | 7480 | 11635 | 9623 | 10138 | 4173 | 4636 | 47685 |
| Total number of members who received training under value chain\* | 1459 | 2659 | 2602 | 4477 | 2169 | 985 | 14351 |
| 1. Carpet |  |  |  | 1731 | 452 | 327 | 2510 |
| 1. Craft |  |  |  | 953 | 1094 | 318 | 2365 |
| 1. Incense | 517 |  | 1853 | 1793 | 623 | 340 | 5126 |
| 1. Papad | 942 | 916 |  |  |  |  | 1858 |
| 1. Dairy |  | 1743 | 749 |  |  |  | 2492 |
| Number of members who received training on financial literacy\* | 2047 | 2808 | 3862 | 3834 | 2194 | 2254 | 16999 |

\* All members received training on social and political empowerment; however, not everybody received the economic training modules.

1. **Evaluation questions and indicators**

The objective of the program was to increase the degree of women’s empowerment. For this, we developed various indicators that reflect empowerment and compared their observed values among those who were part of the program and among those who were not but comparable to those who were. Ideally, if the program increased women’s empowerment, we should be able to show either or both of the following: (a) women who participated in the program behaved differently after the program compared to how they behaved before; (b) women who participated in the program behaved differently from those who had not participated. The first was a problem because we had no information about the beneficiaries’ behaviour before the program started (no baseline). We, therefore, focused on the difference in behaviour between the programme beneficiaries and non-beneficiaries after the program was completed. Moreover, we tried to see if the fact that some women were being trained spilled over into the empowerment of women who were not directly related to the program but were related, in some way, to the beneficiaries of the program. We also investigated the process by which the program worked, or did not work to the extent desired, by undertaking a qualitative analysis of the program.[[6]](#footnote-6)

* 1. **Key evaluation questions[[7]](#footnote-7)**

1. Do interventions for social empowerment lead to:
2. Reduction in gender inequality?
3. Optimal spacing between siblings?
4. Decrease in domestic violence?
5. An increase in awareness and access to government schemes?
6. Do interventions for political empowerment lead to greater participation in local institutions and, hence, in local decision making and demand for public services?
7. Do interventions for economic empowerment lead to an increase in income and savings?
8. Does the integrated approach to empowerment help reduce child labour?

**4. Evaluation results**

**4.1 Direct impact on beneficiaries**

There were three specific areas of empowerment --- economic, social and political. We look at specific sets of indicators for each of these aspects. Very simply put, we compared the indicators for the beneficiaries with those who were not part of the program. While the beneficiaries were termed the treatment (T) group, we compared them against two other groups termed the control groups. Our first control group consisted of women who were members of other SHGs (C1) but not of the Swaayam SHGs. Our second control or comparison group (C2), consisted of women who were not members of any SHG. The methodology and the complete set of results, as well as the indicators and their definitions are given in Appendix I.[[8]](#footnote-8)

**4.1.1 Economic empowerment**

1. **Per-capita annual income**

There is no impact of the programme on the per-capita annual income. The intervention was expected to help members to take up income generating activities through the creation of organised institutions. First, we observe that the mean of income of group T (program beneficiaries) is higher than that of group C2, i.e., those who are not members of any SHG. To attribute this difference to the Swaayam program, we have to ensure that there is a (statistically) significant difference between T and C1 also. Recall that C1 women were those who belonged to SHGs but were not part of the Swaayam SHGs. Unfortunately, there is no difference between the mean per-capita annual incomes of the households in T and C1. From this we can infer that there was nothing special in the Swayyam program that other SHG programs did not have. Alternately, we can say that the Swayyam program hand-picked those who would have benefited from any SHG program.

Remember that not all SHG members were given all three trainings (see Table 2.3.1 above). Therefore, we divided up the beneficiaries of the program into those who had been given the economic training and those who have not. Once again, the mean incomes of both the sub-groups were (statistically) the same. From this we conclude that the economic training was not anything special and women self-selected themselves into the SHG programs.

1. **Per- capita monthly savings**

There is no impact of the program on per-capita monthly savings. As part of the program the members were expected to benefit through the SHG formation and save regularly. However, there is no difference between the mean per-capita savings of the households of Swaayam and non-Swaayam SHGs.

1. **Respondents who do not know their household income**

There is no impact of the programme on the respondents’ awareness of their household income. The proportion of those who do *not* know their household income is higher for non-members as compared to Swaayam and non-Swaayam SHG members; however, there was no difference between the latter two groups. Thus, once again, there is a positive association from being a member of an SHG, but nothing special in the Swaayam program.

**4.1.2 Social empowerment**

1. **Gender ratio**

There is a positive impact of the program on the gender ratio (number of female children to male children). This ratio is calculated for those children born in the households in the last 5 years, which is the intervention period. The expectation was that the trainings related to gender equality given to Swaayam members would increase this ratio. Indeed, Swaayam SHG members had a better gender ratio as compared to other SHG members.

1. **Spacing of age between siblings**

The intervention trained the members on family planning practices. We looked at the spacing (in age) between siblings in the household who were born in the last 5 years, as an indicator to check the quality of family planning practices in the households. From the results we see that there is no difference in the average spacing (in months) among Swaayam SHG members, non-Swaayam SHG members and those mothers that were not members of any SHG.

1. **Child labour**

There is prevalence of child labour in the age group 6 to 17 years in all the three groups. This result should also be read in light of the fact that social programs to reduce child labour have been active much before the intervention in the project villages and, hence, there are too many other confounding factors for a direct attribution to the Swaayam program.

1. **Domestic violence**

There is no positive impact of the programme on domestic violence in the households. However, there is a positive impact of being an SHG member as the prevalence of domestic violence is lesser in both SHG member groups compared to that of non-members.

* + 1. **Political empowerment**

1. **Participation in Gram Sabha meetings**

The Swaayam intervention aimed to empower individuals through greater participation in Gram Sabha meetings. However there is no intervention effect as there is no difference in an individual’s attendance regardless of her status (membership in SHGs).

1. **Raising issues in Gram Sabha meetings**

There is no effect of intervention on raising issues in Gram Sabha meetings. If the more politically empowered women showed greater participation in these meetings, this should have shown up in these individuals raising their concerns during Gram Sabha meetings. However results show that there is no such effect of the intervention.

1. **Raising issues with local institutions (Pradhan) as an SHG collective**

Although there is no effect of intervention on individuals raising issues in Gram Sabha meeting, higher number of Swaayam SHG members raised issues with the village Pradhan as SHG collectives when compared to non-Swaayam SHG members.

1. **Decision to vote for a particular candidate**

Majority of the respondents said that they voted for a candidate based on the voting choice made by their household members.

1. **Awareness about right to parents’ property of the daughter**

There is no impact of the programme on awareness about the daughter’s right to parental property.

1. **Awareness about law on minimum wages**

There is no impact of the programme on awareness about the law on minimum wages.

1. **Awareness of government schemes**

We checked for differences in the awareness levels of the respondents on two government schemes related to women and children (Janani Suraksha Yojana and Mid-Day Meal). We found that the awareness level of all the three groups were similar.

In conclusion, there are only two indicators that suggest a positive impact of the Swaayam program, viz., improvements in the gender ratio and that of raising issues with local institutions as an SHG collective. For the other indicators, while SHG membership helped, it was true of all SHG membership and not simply of the Swaayam SHGs. This meant either, or both, of two things: (a) any SHG membership is empowering (since there were systematic positive differences between SHG members (T and C1 groups) and non-SHG members (the C2 group) and (b) there was a selection bias in SHG formation and only a certain type of women joined such groups. Besides the economic, social and political indicators mentioned above, we also looked at some of the indicators related to financial inclusion and financial literacy viz., total loans taken in last three years, reduction of dependency on local money lenders for loans, basic numeracy and, financial awareness. We did not find any effect of the Swaayam program on any of these indicators either.

**4.2 Indirect impact**

In most of the evaluation exercises, we look at the impact of the program only on the direct beneficiaries. There are always indirect benefits associated with any targeted program due to the circular flow in the economy. In this section we look at the direct as well as the indirect effects of the program on the local economy. We use the Social Accounting Matrix (SAM) methodology to assess these effects of the program.

A SAM is defined as an organised matrix representation of all transactions and transfers between different production activities, factors of production and institutions (like households, private establishments and government) within the economy and with respect to the rest of the economy. This allows us to see the effects of the programme on households’ income as the intervention works out its full impact through various feedbacks given the inter-relationships across economic activities. We focused on two activities covered by the Swaayam intervention --- dairy and carpet value chains.

1. We took a village (Basupur in Rampur block of Jaunpur district) where Swaayam had worked on buttressing the dairy value chain and another village (Nonari in the same Rampur block of Jaunpur district) where there was a dairy value chain in operation but where Swaayam was not undertaken.
2. Similarly, for the carpet value chain we took Goraha village in Gyanpur block in Sant Ravidas Nagar district where Swaayam was undertaken and Dhanapur in the same block where Swaayam was not present.

We constructed the SAM for the calendar year 2013 separately for these four villages and calculated the efficacy of each of the corresponding value chains in these villages. For instance, we calculated the income multiplier for animal husbandry i.e., by how much does total income increase if there is a unit increase in the animal husbandry activity. In other words, if the dairy activity grows, by how much are households in the village benefited, regardless of whether or not they participate in the dairy sector.

We looked at six household groups: self-employed in agriculture, self-employed in non-agriculture, agricultural labour, other labour, salaried and, others. These are the same as the National Sample Survey classification of rural households in India. The self-employed in agriculture households are those households where the majority (greater than 50 per cent) of earnings is through this activity. Such a definition is necessitated by the fact that not all earning members of a household may be involved in the same activity. The final category of others is, therefore, those households where there is no one activity which contributes more than 50 per cent of earnings (say, three activities contributing 40 per cent, 35 per cent and 25 per cent each).

We define the output multiplier of a sector as the amount by which the total output increases for a unit increase in the output of that sector. For example , if the expenditure on consumption of rice increases by INR 1000 and value of its output multiplier is 1.98, then the increase in all the outputs taken together will be INR 1980 (1000 X 1.98) due to an increase in output of rice sector. Similarly, the household income multiplier of a sector can be defined as an increase in total income of households in the village due to one unit increase in output of a particular sector. If the income multiplier for rice is 0.96, the increase in total income of households will be INR 960 (1000\*0.96) due to an increase of INR 1000 in the demand for rice.

The output multiplier for animal husbandry sector in Basupur village (2.0) is marginally lower than Nonari with 2.09 units suggesting that they were comparable. However, it has a higher household income multiplier (0.82) as compared to Nonari (0.64) indicating strong potential indirect effects. Thus, if the dairy chain was successfully implemented in Basupur it would have had a strong income effect. How do you successfully implement the dairy chain? This is where Swaayam may have been of help --- finding different markets outside the village will not only help those involved in the dairy chain but others also.

Coming to the carpet value chain, a one unit change in output of the carpet sector in the Swaayam village of Goraha will lead to a 2.01 unit increase in output of the village economy. The corresponding multiplier for the control (or non-Swaayam) village of Dhanapur is 2.03. Hence, the output multipliers for the two villages are similar. Even the income multipliers are similar, 0.40 for Goraha and 0.41 for Dhanapur. This implies that there has not been any significant impact of the Swaayam intervention in carpets as opposed to the dairy intervention we saw earlier, where the treatment village income multiplier was found to be higher than that in the control village.

**Table 4.2.1 Income multipliers by different household type**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Dairy | | Carpet | |
|  | Basupur (Swaayam) | Nonari (non-Swayaam) | Goraha (Swaayam) | Dhanapur (non-Swaayam) |
| Self-employed in agriculture | 0.185 | 0.084 | 0.014 | 0.026 |
| Self-employed in non-agriculture | 0.470 | 0.490 | 0.168 | 0.252 |
| Other labour | 0.164 | 0.048 | 0.175 | 0.076 |
| Agriculture labour | 0.003 | 0.009 | 0.006 | 0.003 |
| Salaried | 0.002 | 0.004 | 0.023 | 0.052 |
| All other | 0.000 | 0.000 | 0.010 | 0.004 |

1. **Qualitative analysis and explanations for outcomes**

Our quantitative analysis did not find any major positive impact of the Swaayam program. The few positives that were there were not attributable fully to Swaayam. For example, most of the positives were also present for the non-Swaayam SHGs. It was, therefore, important for us to look closer and do a qualitative analysis to figure out what was lacking in the intervention process. The exact methodology of the qualitative analysis is presented in Appendix I. We conducted a number of focused group discussions (FGDs) and an analysis using the theory of change. Initially, we conducted FGDs among women who were members of Swaayam and those who were members of non-Swaayam SHGs. However, there were no differences between the two groups of women in demographic profiles or responses to social, political and livelihood issues. We also found that many of the Swaayam SHGs were no longer functional. We then conducted FGDs among members of functioning Swaayam SHGs and among members who belonged to non-functioning Swaayam SHGs. This was to identify the characteristics and inputs that went into the making of successful Swaayam SHGs as against those that had failed.

No critical differences, however, were found between the formation, management systems and trainings of these two types of SHGs. The Swaayam SHGs that had taught themselves to cope better, given the same informal and infrequent inputs and feedback by the programme staff, continue to function. Those that could not cope shut down. It was also found that trainings in social, political and livelihood issues and skills have little recall among SHG members.

And this was reflected in the near identical responses to the women’s empowerment issues and themes chosen—such as education, dowry, domestic violence etc.—for discussions with members of the functioning and non-functioning Swaayam SHGs. Furthermore, these responses appeared little informed, if at all, by inputs received from the program’s social, political and legal training components.

The Theory of Change (ToC) workshop with members of Swaayam Federations, however, revealed that they are among the older, better educated and informed women members of the Swaayam SHGs. And that there are remarkable similarities between the program’s documented intent and the members’ aspirations for these bodies. In fact, the goal that the members set for the Federations was ‘Women’s Empowerment’. Therefore it can be said that if these newly formed Federations were to be enabled into being truly functional they are certain to have been effective.

What went wrong with the Swaayam program? Was there something wrong with the design of the intervention? Or, was the problem with the way it was implemented? Alternately, was the monitoring and evaluation mechanisms such that there were no effective feedbacks, and hence no fine-tuning and course-correction possible? Our major finding is that the implementation and its monitoring left a lot to be desired. Different units and organizations looked after different aspects of the program, which were all target- and process-driven, rather than by outcomes. They worked in silos without much sharing of experiences. Monitoring was a mechanical, procedure-driven activity with no one looking at what it meant for the Swaayam program as a whole. Consequently, even when the monitoring process showed up some anomalies, they were not recognized as such since no one owned the program as a whole.

**5.1 Design issues**

Swaayam is a well-designed project that was launched taking into consideration the socio, economic and political situation prevailing in eastern Uttar Pradesh. It was well aligned to the 11th five year plan of the government which focused on inclusive development and growth contributing to achieving Millennium Development Goals (MDG) 1 and 3.

The strategies outlined in the project document, however, suggest that the project might have been too ambitious, given that it planned for rapid expansion with little planning for project stability. The strategies demanded rapid transition from the formation of SHGs to cluster and, then, to a federated structure, along with the setting up of producer companies.

* 1. **Implementation**

There were many weaknesses in the project’s implementations both with regard to internal and external organizations:

1. The absence of women staff in the Project Management Unit (PMU) was conspicuous.
2. There seems to have been a premature transition from the pilot to the expansion phase. Staff for the expansion phase was hired in July 2012, even as the pilot was to end in December 2012. This overlap seemed to have caused confusion and insecurities regarding roles and responsibilities, as well as also loss of credibility in the target community, especially given that the expansion was discontinued after six months.
3. UNDP’s short-term contracts had the staff feeling little ownership of the project. This also contributed to a high turnover and any learning from the project implementation was lost.
4. Program planning was not decentralised. The PMU was dependent on Delhi for most decisions, which were often delayed.
5. The contracts handed out to the NGOs, who were hired as CFOs, were problematic as were the contracts with the TRAs. Open bidding processes had different NGOs awarded contracts with terms that were at variance with each other. Consequently, the work performed by different organizations lacked uniformity. The contracts awarded were short-term, for three to six months. The rebidding process demotivated the CFOs and TRAs from long term planning and commitment. Also, the long and uncertain interval between two contracts, often, stalled the program rollout. The CFOs had to start afresh each time after contracts were renewed. These interruptions and delays caused the community to lose faith in these organizations.
6. There was a lack of coordination between the CFOs and the TRAs. The former were to mobilize women into SHGs, the latter were to train them on the political, social and livelihood issues. The contracts with both were signed at different times, often causing a mismatch in implementation time between the two. The CFOs provided the TRAs details of SHG members who were to be trained, but these lists were made without any great understanding of the process and without any rigorous needs assessment, often in a hurry and primarily to achieve targets. As a result many among those trained for livelihood skills say that they found such training to be of no use. The TRAs, mostly, did not provide any feedback to the CFOs after the trainings were held.
7. The CFOs complained of conflicting reporting relationships in the field. While the CFOs employed animators and supervisors for implementation of field activities, the block -coordinators who would supervise and monitor them were recruited by the UNDP PMU. The block coordinators would often bypass the CFOs by directly reporting to the UNDP PMU office. This caused bitterness in working relations.
8. The TRAs critiqued the training programs for faulty and hurried drawing up of trainee lists by the CFOs without conducting any needs assessment. The trainings had to be designed with the over-ambitious objective of turning unskilled women into producers and finally entrepreneurs. This caused the TRAs to advance the levels of training from group based technical training to group enterprise management training --- this in very short target-driven time spans. This, in turn, saw low levels of trainee retention and comprehension. Also, post the trainings, no funds were allocated for asset building.
9. The networks that were to be a consequence of the Swaayam intervention are absent. The SHG members are not connected in meaningful ways to bank officials, panchayat members, block development officials or industry, and these in turn seem unaware of the existence of Swaayam SHGs.
   1. **Issues in monitoring**

The M&E and reporting systems of the project were as per UNDP’s prescribed policies and procedures. These were not aligned to the Swaayam program. A variety of formal and informal monitoring tools and mechanisms were set up such as field visits, progress reports, annual reports, quality assessments and project reviews. A web enabled Management Information System (MIS) for improving the efficiency and transparency of operational processes was developed. Pre-defined formats for beneficiary details, monthly progress reports, bank linkages, field validation were given to the CFOs and TRAs for quarterly reporting.

However, the monitoring activities by the PMU were infrequent and inadequate. They were entirely dependent on the CFOs and TRAs. Though prescribed formats were given out to the CFOs and TRAs for data collection, such data was not validated by the PMU staff. As a result, the data now available suffers from duplication of member names, ghost SHGs and non-functioning SHGs. Meanwhile, the data collected on trainings do not seem to have been compiled or consolidated. The PMU staff said that the MIS for the programme was not utilised effectively and has not been updated since the past year. The project management staff made few field visits. A reason for this perhaps is that these visits did not count during performance assessment and, therefore, there was little incentive for the PMU staff to make regular visits. And even when field visits were made, they were undocumented. The PMU staff said that this might have been because UNDP requires submission of field reports for out-of-district visits, not so for those made within a district. The CFOs and TRAs complained that the PMU rarely made minutes of the meetings available to them.

* 1. **Functioning of the SHGs**

1. Based on FGDs conducted with members of functioning and non-functioning Swaayam SHGs, it was found that there was no critical difference in the formation, management systems and trainings of the two types of SHGs.
2. A standard, though informal, process was followed to mobilise women to join SHGs. The emphasis was entirely on savings. Many felt that it might have been desirable to have introduced the ideas of skilling and micro-enterprise associated with being members of the Swaayam SHGs. The informality of the mobilisation process seems to have been a drawback considering that members relied entirely on the “didis” (elder sisters) and “bhaiyas” (brothers), representatives of the NGOs, CFOs and TRAs, as their links to the larger program. When the CFO staff stopped coming to their villages, the exits were made as informally, without any explanation, and no cell numbers or alternate contact details given out to the SHG members in case they needed further guidance or assistance.
3. There seems to be little difference between the procedures followed by the SHGs that are now defunct and those that are still functioning. It seems that in the absence of formal and intensive training on the details of how SHGs are run, some SHGs managed to cope relatively better with the evolving needs of their groups compared to others that collapsed. The absence of elections to choose leaders is common across all SHGs, whether functioning or non-functioning. The possible consequences of this could be manifold: a complacent leadership; the better-off or higher caste members capturing the leadership; members from the same household are also members in the same SHG leading to capture of the SHG by one family; and, denying leadership roles and other opportunities to all members of the SHG. The tradition of meaningful meetings has still not been inculcated in most SHGs. This is one of the main reasons for SHGs becoming non-functional. And, meetings in the functioning SHGs, even if regularly held, are restricted to discussions on thrift and credit. Swaayam’s social economic and political program objectives are not reflected as discussion agenda, certainly not without the CFO staff’s presence in a meeting. The absence of documentation --- and indeed the lack of awareness of the need to do so --- at the grassroots level could be one of the weakest links in the federated structure that Swaayam is attempting to create. It is imperative that documented data is generated indigenously at the village level, so that proper strategies and campaigns can be formed keeping in mind the needs and concerns of the target beneficiaries.
4. The SHGs, by and large, are still dependent on external support and assistance to manage their accounts. The absence of rigorous book keeping is a cause of distrust among members. Also, the same members continuing to operate bank accounts for the SHGs add to the trust deficit among members as many among the FGD discussants showed confidence in their ability to operate bank accounts. However, a significant number of members have still never been to the bank.
5. Most SHGs do not seem to have any guidelines or training on how to deal with chronic defaulters. The inability to deal with this issue was the reason for the closure of at least one of the non-functioning SHGs.
6. The FGD discussants, whether they were members of running or defunct SHGs, seem to have taught themselves how to manage the SHGs and the SHG’s money. This was accomplished with the occasional counsel and handholding by the CFO staff. The discussants said nothing which displayed structured trainings or directions having been given to them on account keeping, documentation, and the need for meetings that are more than about collecting money every month. Discussions on trainings in social, political and legal issues evoke no responses in members of, both, functioning and non-functioning SHGs. If these trainings were held, they seem to have made no impressions upon the members. Even cueing discussants on the topics that might have been mentioned in such trainings (like panchayat elections, domestic violence etc.) draws no reaction. It might, however, be the case that the members have imbibed social, political and legal information being disseminated by the program without recognising them as ‘training’. Livelihood trainings, according to the discussants in the FGDs, have been for a “few members”, too short, and of little value as far as employment generation is concerned. Some members who were trained in Aarie work say that it is too intricate for them and they would rather have had training on something else, which suggest faulty needs assessment before deciding on whom to train for what.
   1. **Empowerment**

**5.5.1 Education**

The prevalent status of education in the villages is similar across villages. The socio-cultural context within which the discussants respond to the value of being educated, especially for girl children, is the same. Moreover, not just the necessity for education but even its quality seems to now hold importance for villagers, including women members of both types of SHGs. Both groups talk of a new reason for educating girls --- increase of their value as brides in the marriage market. There is, however, a marked difference when the positive attitude of the discussants towards educating girls is judged against how many of their daughters have, in fact, completed secondary level education and above; most have not.

**5.5.2 Mobility**

External pressures and internal compulsions restrict the mobility of women in villages. The fear of being badmouthed by neighbours for being ‘loose’ is sometimes as much a reason not to venture out alone, as is the inability to leave one’s children unattended at home. Most women accept this as given and find no alternatives to challenge this effectively. In another context, while offering their views on Swaayam’s training programmes, the same FGD participants had complained that such sessions were, often, planned out of their villages and required them to stay overnight outside their home. This, they felt, was undesirable and impractical. Also, if sustainable work is to be made available to them it needs to be based out of home. Issues of mobility, and the constraints on it for women, need to be an important input into program planning, especially on livelihood.

**5.5.3 Livelihood**

The working conditions for women are same across both types of SHGs. However, the attitude of women, in both the groups, towards work is mixed. Some find unequal wages for men and women reasonable given the differences between male and female labour, others do not. Some think working women have more influence over decisions taken in the house, others do not. A look at the data, though, suggests that working women have more influence over many household decisions. This is even more so in the case of the working women who are members of functioning SHGs. A connection between economic independence and empowerment finds justification in the discussants’ responses on decision making.

**5.5.4 Marriage**

The Swaayam intervention seems to have had little influence over the attitudes and personal practice of members of the SHGs with regard to marriage. Members have openly shared details of their children’s underage marriages. And most discussants are convinced that self-selection of spouse and inter-caste marriage are neither acceptable, nor safe.

**5.5.5 Dowry**

The National Crime Record Bureau’s figures report the country’s highest incidence of dowry deaths in Uttar Pradesh (23,824; 19,702 sent for trial) between January 1, 2001 and December 31, 2012. Though the discussants spoke of only one such instance, the prevalence of dowry in the project villages, and its increasing intensity, is disturbing. The discussants though were opposed to dowry related violence. However, they did not seem sensitised to report such violence to the police. This is despite the political and legal training of the program.

**5.5.6 Inheritance**

Unlike in many of the other themes discussed, here there is no difference between attitude and practice. None of the discussants, whether from the functioning or the non-functioning SHGs, perceive inheritance as a women’s empowerment issue. This is in spite of the fact that Rural Litigation and Entitlement Kendra (RLEK), a TRA working for the project, specially mentioned their plan to disseminate information on the Hindu Succession Act, 1956 with a focus on women. Indeed, they reportedly put together a Compendium for Legal Awareness information toolbox on laws, statutory provisions and development programmes and schemes (specific to Uttar Pradesh) for women. Also, the UNDP document SHG Federations under UNDP proposes the involvement of SHGs, clusters and federations in the propagation of women’s right to property as a part of Swaayam’s political training.

**5.6 Theory of change findings**

1. A comparison of the theory of change workshop participants with those of the FGDs --- a comparison of federation members with SHG members --- shows that the former are older, and perhaps more mature, compared to non-federation members. While the youngest members in the functional and the non-functional SHGs are aged 18 and 19, respectively, those in the federations are, at least, 25 years old. Also, the women in the federations are ‘ahead’ when measured against most indicators. They are more literate, more of them own personal communication devices, more of them work to earn, more among them possess voter IDs, NREGA cards and personal bank accounts and, more of them take decisions within their families. These differences seem to indicate that the women who have become members of the federations are already more empowered than their counterparts in the SHGs. And, perhaps therefore, they are advantageously positioned to identify, articulate and charter plans towards realising the aims and aspirations of the SHG women whom they represent in the federations.
2. UNDP’s documents draw up the federation structure, define the roles and responsibilities of members and plan for its financial sustainability. The federation members, who participated in the workshop, were unaware of most of these. This is because the federations were just a few months old, they had barely started functioning, systems and procedures were not in place and the six federations had never had a joint meeting prior to our workshop. Over and above this, UNDP’s proposals and plans for the federations have, quite evidently, not been effectively communicated to the federations.
3. Yet, the theory of change that the workshop participants mapped out shows significant similarities between UNDP’s documented intent and the members’ indigenous aspirations for the federations. The participants seem to be, intuitively, and through program sensitisation, in sync with Swaayam’s larger objective. That their goal for the federations is ‘Empowerment of Women’ is a manifestation of this. Further, the interventions that the participants want the federations to undertake are also invested with the same spirit and scope that informs UNDP’s documented plans. Once again, this points to the fact that the objectives of the intervention, regardless of its implementation, were well-formulated.

**6. Findings from producer companies**

The *Swaayam* project on women’s empowerment included a component on achieving economic empowerment. This was to be achieved by providing employment opportunities to women who were part of the intervention. UNDP proposed five value chains for women SHG members in the three intervention districts. In this section, we study the value chains as they existed prior to the UNDP intervention. We also look at the design, implementation and monitoring and evaluation aspects of the new value chains.

Value chain analysis plays a key role in understanding the need and scope for systemic competitiveness. Understanding the value chain can lead to consolidation of some processes and decrease in number of intermediaries in the value chain.[[9]](#footnote-9) For example, in rural areas the food value chain might require vertical coordination, which would mean synchronization of successive stages of production and marketing regarding the quantity, quality and timing of product flows. One advantage of vertical integration is to reduce transaction costs for both buyers and sellers. Transaction costs for the food processing value chain includes the buyers’ cost of searching for the suppliers offering specific qualities and the sellers’ cost of determining prices and buyer preferences.

The buyers and sellers could reduce these costs by entering into an agreement before production is completed. However, the cost of contract enforcement may be high. This could be reduced by streamlining or integrating the value chain. For example, in poultry, this could be done by providing inputs to producers and guaranteeing buying of the produce. In some products the firm (buyer) also specifies the type and grading of products to be produced. They provide inputs, or raw materials, to the producers based on the final demand.

Products differ based on perishability, design, input costs, or the types of markets. For a firm it is difficult to deal with each producer separately, hence the role of the middleman or contractor comes into play. Similarly, for a producer it pays to deal with a middleman who can collect their products and find markets for them. The contractor can provide raw materials, design specifications as demanded by consumers or the ultimate buyers and collect the semi-finished or finished products, from the producers.

Another important issue to look at in assessing the value chains is who bears the risk. Depending on the type of contracts (formal or informal), there could be price risks or production risks borne by either the buyer or the seller or both. If the inputs are provided by the firm, then the production and price risks may be borne by both the seller and buyer. However, if the producer retains all control over production practices, as in the existing dairy value chain, then the production risk will be borne by the producer.

**6.1 Value chains**

The information on existing and new value chains has been gathered from technical resource agency (TRA) documents (progress reports, proposals submitted, articles of association) submitted to UNDP, UNDP documents, and IDF’s interactions with participants in the value chains. The participants included the producers, the contractors, subcontractors, middlemen, business development service providers (BDSPs), credit providers and final buyers. The existing value chain was mapped at different stages to understand why the women opted for these value chains in the first place, how they obtained the raw materials for production to the final sale of the product. This was mapped against the new value chain to understand how the new process (at what stage) was better or efficient than the existing one.

It is important to note that before introducing a new value chain, one must consider the demand for the product, both local and global, significance of all players in the value chain and constraints of the producers. Since a rural woman is not able to procure raw materials and market the produce on her own, there are contractors who undertake this task. A contractor may or may not engage in producers’ decisions on how to produce though they may determine what to produce (quantity and quality). A contractor may aid in the marketing decision and getting the business in the first place. The question is --- are the benefits of the value chain skewed towards certain participants? Is the difference in the profit margins between the consumer and producers huge? Who appropriates higher margins? Are the producers getting “value” for their effort and skill? There is another issue of signalling one’s type in the labour market. Can the producers signal their type to the employer? If there is no credible way for signalling their type since there is no credible certification system in the market, one of the ways producers can get rewarded for their productivity is if they are picked up by a contractor who has a market reputation.

We explored three of the five value chains (carpet, dairy, incense, papaddum and craft) that were provided to women SHG members in the program. These were carpet, dairy and incense. Carpet production requires skill to weave carpets, be they hand-knotted or tufted, and the production is “made to order”. In other words, the design as demanded by the customer is provided to the weaver along with the inputs. Carpet weavers, in such a system, have relatively less production and marketing risk. For dairy, the entire production risk lies with the producer. Based on the quality of milk produced by the animals, the women are given a price per litre. In this case, feeding the cattle with good quality inputs is the primary task. Incense, on the other hand, does not require a skillset as that in carpet weaving. However, the raw materials are provided to the producers by the contractors who also collect the semi-finished product. Craft is heterogeneous in terms of its products, and hence it is difficult to identify a single product value chain. Also, each product is unique. Papaddum is a product where the BDSPs were envisaged to be providing services to women members such as inputs, and enhancing market access. This is similar to incense production. Hence, we have left out papaddum and craft from the study.

The existing value chains consisted of producers at the village level who would either receive raw materials from the middlemen such as in carpet and incense or buy their own (such as cattle in dairy value chain). The semi-finished product was then sold to the middlemen who would then sell it to the buyer. The existing value chain involved various stages from production to final sale. In the new value chains, the role of the middleman was redefined. In a producer company, the middleman’s job is to be performed by employees of the producer company which, in turn, is owned by the producers. The next section explains what the producer company planned to achieve in the new value chain.

**6.2 Producer companies**

In a producer company, the decisions regarding production are made by the producers but there is a professional management team who manages the company in terms of organizing production and getting business orders. This is what differentiates it from a cooperative. Producers coming together in a producer company share production and marketing risks. A producer company elects its board of directors. The surplus, if any, arising out of the operations of the producer company are distributed in a manner as may be admissible in proportion to their respective participation in the business.

The economic value chains as proposed by the IKEA-UNDP program were designed to achieve two objectives -- one, to provide skill to the women members of SHGs, and two, to help them become entrepreneurs. The women were provided awareness about the value chains which were mostly operating in their clusters. The trainings were provided by TRAs hired by UNDP under contractual basis. The TRAs were given responsibilities such as that of providing technical skill training, entrepreneurship development training, as well as formation and strengthening of the producer company. Once the contract for TRAs ended, the producer company was to take over the task of TRAs and BDSPs. The contract of TRAs with UNDP was for a period from December 2011 to March 2013 except for craft for which the contract started July 2010 and ended April 2013 and for incense there was a two-month no-cost extension.

Before we delve into the design, implementation and monitoring and evaluation issues of producer companies of each of the three value chains, it is better to understand the context of the area in which the program was implemented. The state of Uttar Pradesh has a poverty rate of 30.15 per cent for the rural sector and 30.61 per cent for the urban sector as per NSSO Consumer Expenditure Survey 2009-10. This is higher than the all-India poverty rate of 22.56 per cent and 20.19 per cent for the rural and urban sectors respectively.[[10]](#footnote-10) The districts of Jaunpur, Mirzapur and Sant Ravidas Nagar lie in eastern UP. The eastern region of UP has a poverty rate of 35 per cent, higher than the state average. Jaunpur and Mirzapur are also among the districts in eastern UP that come under Backward Regions Grants of the government of India. The backward regions grants fund is designed to address regional imbalances in development.[[11]](#footnote-11)

According to the Carpet Export Promotion Council,[[12]](#footnote-12) an apex body of exporters of carpets and other floor coverings in India, Sant Ravidas Nagar and Mirzapur feature amongst the list of carpet belts in India. Sant Ravidas Nagar specializes in woollen, tufted carpets and Tibetan carpet and durries. Mirzapur produces hand-knotted and hand-tufted carpets in wool. The hand-made carpets of Sant Ravidas Nagar have received a Geographical Indication tag by the government of India, a tag that refers to being the country or place of origin of the product. Typically, such a name conveys an assurance of quality and distinctiveness which is attributable to the place of its origin. [[13]](#footnote-13)

Though carpet production has a long history in India, it received widespread attention in the mid-seventies. There was growth in the 80s and 90s during which there were many international orders in favour of Indian hand knotted carpets. The carpet industry is labour intensive and provides employment to over one million workers in the rural areas. There was government support and encouragement to the carpet industry during this period. However, the boom continued till early 2000, and since then there has been a decline in production and exports of hand knotted carpets. Hand knotted carpets are very labour intensive and there has been an incidence of child labour in these kinds of carpets. The demand for hand knotted carpets in the international markets has declined due to changes in consumer tastes in favour of cheaper and modern looking carpets. As a result, the demand for tufted carpets has increased. There has been a general decline in the carpet exports despite the growth in the tufted variety.[[14]](#footnote-14) The carpet market is tightly controlled by a select few carpet companies and export houses.

According to the report of the Advisory Committee on Animal Husbandry and Dairying, constituted by the Planning Commission, Government of India (in January 2010), nearly two-thirds of farm households in India are associated with one or the other form of livestock production and 80 percent of them are small landholders. Uttar Pradesh is the largest milk producing state in the country, but the average productivity of both cattle and buffalo is lower than that of Punjab. Incense industry is again labour intensive and is beset with problems such as low margins for producers and being controlled by local business actors.

The design, implementation and monitoring and evaluation of the producer companies is what we will look at in the following sub sections. Our focus remains the three value chains--carpet, dairy and incense.

**6.3. Design**

**6.3.1 Planned design**

The producer company for the value chains was designed to make the women SHG members owners and decision makers in the production process. Villages were selected for training on the basis of the prominent economic activity in the area. For instance, Sant Ravidas Nagar and Mirzapur were known for carpet making, hence the new value chain training was given in these areas. Similarly, Jaunpur is known for dairy production and hence the new value chain training was provided in this area. Incense value chain training was spread across all three districts.[[15]](#footnote-15)

The design of the new value chain was to have a producer company with its board of directors and a professional management team. The founding members of the producer companies were to be elected from among the trained SHG women of the value chain. Of these founder members, some were to be chosen as board of directors who represented the producer company. For some value chains such as carpet and incense, there was a production centre in the village where women carried out the production process. Each production centre had a supervisor at the village level to monitor day to day working and execution of production orders. The producer company was to perform the roles of marketing, production, finance, social mobilization, and design for the value chain. There was to be an advisory body of technical institutes including UNDP, TRAs and others to guide the company management. The producer company had a sustainability plan where UNDP would provide the support for a year for strengthening and stabilizing the company. In case of carpet, after registration of the producer company, there was a discussion with EXIM bank for the arrangement of working capital (raw materials and other variable costs related to the operation of the production centre). The repayment to the bank was to be made from the profits generated by the producer company.

In case of dairy, milk would be sold directly to the collection centre, a centre located in the village where milk was collected twice in a day and sent to Bulk Milk Chilling Units (BMCUs) from where they would be sent to the final buyer (Parag Dairy). In case of carpet and incense, the semi-finished product would be sold to the middleman, who would then sell it to the buyer. These contractors (middlemen) could subcontract the work to a subcontractor who then hired the producers (weavers in the case of carpet).

**6.3.2 Design Flaws**

The SHGs were part of the producer company for each value chain. However, the involvement of SHGs in the producer company was not very clear. SHGs have a crucial role to play in the initial stages of the producer company as the company is still building its links with financial institutions. Since the producer company needs loans for its working capital requirements, they can be taken from institutions that are already tied up to the SHGs of the producer company such as banks and other financial institutions.

In the carpet value chain, the proposed job order model had planned that the job orders would be sourced through the contractors and routed through the producer company. However, it was not clear as to why the contractor would join the producer company in the first place. The contractors have the flexibility of hiring labour on their own under the existing value chain. After joining the producer company, they may not have the flexibility any more. In a producer company, owned by the producers, the contractor who joins becomes an employee of the producer company. This is something that was entirely missed in the design. For the producer company to include the contractor, one must ask why would the contractor join such a set-up. And, if the contractor does not, who else is there in the region to perform the role of the manager in the producer company? A major difference between cooperatives and producer companies is that while cooperatives elect their members as decision makers, the producer company executives are expected to be hired hands employed by the board of the producer company.

It is also mentioned in the TRA documents that the producer company planned to generate revenue through channelizing all the wage payments to the weavers through the producer company bank account. These are payment to the women weavers against all the weaving job orders procured by women producers from contractor and carpet export or by the buying house. A certain percentage (10 per cent) as service charge would be charged by the producer company from the women weavers as a part of revenue to the producer company, and will be used for the payback of the working capital amount taken as loan from the bank.

In some value chains such as dairy the purpose was to do away with the middlemen (who collect milk from the household) since they were paying less than the market rate. Also, the villagers claimed that the milkman would mix water in the milk and not give them the correct price for the milk as the weighing of the milk for fat content was not done accurately by him.

It is to be noted that for dairy production, a household has to incur INR 50 for four litres of milk per day. This is dependent on the inputs provided to the cattle such as feed and fodder that increase productivity. There is no mention in the design of the program of how the company will address the problems of increasing productivity of the cattle. If the input costs are to be reduced, the producer company can provide fodder at lower costs since it can purchase them in bulk. Other animal management services and health services can also be provided by the producer company, which would help reduce cost of producers. The producer company could also provide awareness training on cattle feed and health. In the current situation, since the producer company is making a loss, the producers do not gain anything by joining it. The profitability of the producer company depends on getting volumes in the business; however until low productivity of animals is addressed, it will be difficult to get volumes.

The success of the incense value chain is also dependent on getting volumes. Again, for the producers it is better to obtain raw materials from the BDS provider rather than doing it on their own. Also, the BDS providers collect the raw incense sticks from the production depots and sell them at the market place, which would have been costly for the producer to do herself. As of now, the producer company is not able to function as the initial funding is not available to carry out its operations. According to the TRA document, the producer company is to have a professional management team after the third quarter from its inception. However, there was no plan on how to implement this.

**6.4 Implementation**

For the carpet value chain, obtaining funding from donors did not take place as the producer company could not operate after the TRA’s contract ended in March 2013. EDI, which was the TRA for carpet value chain was to train the women SHG members as per the list provided by UNDP (of 3100 members). The mandate was given to the TRA irrespective of the interest shown by women members in carpet weaving. It seemed that the interest was simply to achieve the output in terms of number of women trained, and no importance was given to the outcome of the process. Also, the producer company was to sustain itself within six months post registration (January to June 2013). However, the contract with TRA ended March 2013. The contract should have been extended till the time the outcome was achieved, or there should have been an effort to hand the operations over to someone before the TRA left.

One of the reasons the carpet value chain could not be implemented had to do with the provision of assets (looms or frames) by the producer company. Prior to Swaayam, the weavers obtained the assets from the contractors and sub-contractors. As the latter felt threatened by the new model, they withdrew the asset support provided to women and the women were left with no choice but to stop weaving. Also, the contractors and sub-contractors had already developed trust in the weavers as they were a source of credit for them, especially fulfilling their credit needs in times of emergency. The weavers were completely dependent on the contractors for credit as well assets for carpet making but there was no thought given to how these were to be substituted in the producer companies. Another problem was that only three months of training was provided to women for carpet weaving. Since women are new to the field, it takes at least one year for them to be competitive and make their task remunerative.

Most importantly, the concept of producer company was designed to make women owners of the production process and in some way entrepreneurs. However, the short term contracts of TRAs, no source of funding for assets, working capital and salaries to the management have made the women to be employed as paid labour instead.

For the dairy value chain also, the contract with the TRA ended in March 2013. At the ground level, there are 120 milk collection centres across the three blocks. One BMCU has a capacity of storing 3000 litres but so far only 300-400 litres of milk are stored in one BMCU. Thus, its capacity remains underutilized. The fat and SNF content is checked at the BMCU and recorded. The milk is finally transported to Parag Dairy Company (buyer) located in Varanasi. Parag makes the payment to the producer company and money is distributed to the producers as per the records of fat and SNF content. On an average the producers get a price of INR 20-22 per litre. Parag dairy makes the payment every 15 days. The BMCUs are incurring a loss as the model was based on getting volumes, which the producer company has not achieved.

For incense value chain, the producer company is not operational. The contract with the TRA ended March 2013. Most women have rejected this activity because of low remuneration and tedious work. Margins for women are low, and the value chain is controlled by a few local businessmen for both, the demand for incense sticks and the supply of raw sticks. The production depots are now closed. They functioned well for the BDSPs who would conduct their business through these production depots without improving the labour status of the women involved. Overall, the implementation of the program did not take into account the fact that women might not be interested in the value chain in the first place, or, and importantly, there might be resistance from the existing players in the area. The implementation plan was unable to handle the dynamics of the region in terms of the stranglehold imposed by certain existing members of the society who had a say in what the women producers did since they controlled important aspects of the women’s lives, e.g., their financial needs.

**6.5 Monitoring and evaluation**

The project period was for 18 months (December 2011 to June 2013). Field monitoring did not take place as envisaged by the producer company. Most of the production centres have closed down as there is no staff to monitor them. The weavers weave at home, and it is difficult to monitor weavers individually at home. There was also no independent monitoring and evaluation of the value chains. The TRAs themselves were supposed to monitor their own programs and were given a checklist.

It was envisaged that the producer company would make a larger profit and would reduce their monitoring costs in terms of physical monitoring of the products with a large pool of skilled producers. They would also be able to scale up their business operation. However, since there was resistance from the existing contractors, this model did not work. Also, there should have been a monitoring process at every stage of the program to check what went wrong. The monitoring is a continuous process and should happen periodically as the project progresses. It would have helped in keeping track of the project and if the let management knew when things went wrong.

The program had certain key performance indicators (outputs) as part of their economic empowerment through formation of new value chains. This was to be evaluated at the end of the program. Some of the key performance indicators were: at least 35,000 women trained in entrepreneurship and financial literacy; 20,000 women to be trained to run micro-enterprises; at least three sub-sectors analysed, value chains identified and business plans developed; and, of the 35,000 women trained in entrepreneurship, at least 10,000 to participate in select value chains. Since the numbers that UNDP was targeting were huge, there had to be a monitoring and evaluation system in place. The project just looked at achieving numbers as much as possible to achieve their physical target. However, there was no stress on the outcomes such as increased empowerment of women in terms of better wages, starting their own enterprises, etc. Also, to achieve the numbers, the program took under its wing as many women members as possible without taking into account their interests or their skills.

For the dairy value chain, it was observed that men deposit milk at the milk collection centre and collect payments instead of the women.

In short, the value chain intervention that would have led to producer companies that enhanced incomes earned by women, was ill-conceived. There was little understanding of how producer companies worked, how they would substitute or complement what was already on the ground and, most importantly, how would the entrepreneurial talent for running the producer companies be tapped. It was difficult to implement the program on such a large scale at one go and more difficult to monitor it without proper mechanisms in place. It is necessary to first give the intervention to a small group to see how the program should be implemented, monitor and evaluate the outcomes and then the program should be scaled up. It is also well understood that unless the value chains gave volumes, they would not have been successful. Finally, TRAs on short term contracts made it impossible for them to invest in learning the local context, the aspirations of the women and nurturing these companies into matured organizations.

**7. Lessons learnt**

Our major finding of the impact evaluation is that, quantitatively, there has been very little effect of the intervention. First, when we compared program beneficiaries, i.e., Swaayam SHG members, with other SHG members there was no (statistically significant) difference in the indicators between the two groups. This meant that, women and households were not especially benefited by the program; they would have performed the same way if they joined any SHG. Second, when we compared SHG members (both Swaayam and non-Swaayam) with women who did not belong to any SHGs, there were (statistically significant) differences that ensured greater empowerment for the SHG members than those who were not. In other words, any improvement in empowerment could not be attributed to the program *per se*.

We used the qualitative analysis to investigate the probable causes of our findings. Below, we list the learnings from this analysis:

1. There are three aspects to any intervention of this scale --- the design of the intervention, the implementation plan and, its monitoring and evaluation (M&E). The M&E team of the project has to be independent of the implementation team. This will ensure an objective monitoring process and, hence, continual fine-tuning to ensure outcomes. Otherwise, the program monitoring tends to stop at ‘outputs’, or the achievement of quantitative targets like potential beneficiaries reached, rather than achieving the outcomes or the effects of the intervention. For the latter, one needs to design an objective and continuous data management system which would then be read and analysed by an independent evaluating body. Ideally, the implementation and the evaluation teams should be different though the implementation team should also be responsible for generating the data in the format described by the independent evaluation team.
2. The design of the project, on paper at least, was very well-done and in sync with the policy regime of the region and the country. So, there was no problem with overt governmental opposition to the intervention, something that is very important for socially sensitive interventions of this type. It is socially sensitive because the lack of women’s empowerment is driven by a host of social and political considerations not least among which is the legacy left behind by years of tradition and so-called cultural practices.
3. However, while the design fitted in with the macro aspects of the policy regime, it did not take into account the political ground realities in the region. For instance, the design did not recognize the fact that there already existed, prior to the program, the value-chain activities that had been decided upon. The existing middlemen and contractors had been involved with the producers for a very long time and had developed a strong patron-client relationship in a regime where institutional support for marketing, certification and working capital loans were absent. And, these middlemen had strong local political connections. Any plan to initiate new value-chain configurations that did not include the existing players were bound to fail in an informal setup that had no corresponding formal institutional support.
4. Another major reason for the limited impacts of the program lay in the way the program was implemented. The steps spelt out in the program design were either not followed or, not followed in the right sequence or, not followed at all. This was not due to any lack of effort by the implementation team but more due to the lack of understanding of the significance of the steps and their sequencing. Our process mapping exercise identified serious lack of coordination in the implementation design and, hence, a significant flaw in the process of monitoring and evaluation. One important aspect was the absence of any *one* person, or any one *group,* who understood and was fully informed of the complete program. This would have been all right if the program design was modular so that each group could independently carry out their activities. But the program design was an integrated approach and required coordination among the various activities in terms of their timing and content.
5. The project management team did not own the project. That is, they did not understand the design particulars or why various aspects of the intervention were planned the way they were or, what was the ultimate objective of the intervention. Hence, they were unable to understand the nature of the slippages and, most importantly, the consequences of these slippages.
6. The program was conceptually ‘complete’, having planned on achieving women’s empowerment on all three fronts --- social, political and economic.
7. Should this program be implemented elsewhere, the following need to be kept in mind:
8. A blue-print of the steps to be followed has to be drawn up before the program is implemented. It is necessary to run a few pilots to figure out how the program should be implemented. As mentioned in (c) above, one of the findings during our study was that there were already well-entrenched and politically powerful middlemen handling the various value-chains in certain parts of the program area. Working with them would have had a higher chance of success than the one where they were sought to be substituted. In other parts where the value chains did not already exist, the implementation plan could have worked if the steps, as designed, were followed.
9. An independent group, with no stake in the actual implementation, must be in charge of monitoring and evaluation of the implementation process. In the Swaayam intervention, the organization in charge of the implementation was also the monitor reporting to the funding agency. It was, therefore, easier for them to do a simple process monitoring (whether actions have been undertaken or not) rather than checking on the content of the actions and, most importantly, the outcomes from the actions.
10. The implementation plan can never be fully worked out on paper. Different villages and different regions will have idiosyncratic contexts in which the implementation will have to be done. Personnel doing the implementation must develop specific knowledge about both, the environment around the intended beneficiaries *as well as* what will work in the implementation plan. This requires investment in time and effort which will not be made if the personnel are on short term contracts which, per force, are subject to process monitoring (ticking off activity boxes) and not amenable to monitoring of outcomes.
11. The program was well-designed excepting in one aspect. Producer companies are not simply a collection of idiosyncratic, small producers trying to market a similar product. In a public corporation, shareholders own the company but all decisions regarding production and marketing rest with a professional management team. In a producer company, while decisions regarding marketing, and hence part of the product standardization, are taken by professional managers, production decisions are with the producers who own the producer company. This aspect was totally missed in the design of the producer companies.
12. After the program is designed, the program area needs to be identified. The next step is to catalogue the differences in the household characteristics and the different contexts within which the households operate. (The vulnerability matrix envisaged in the original Swaayam program was a step in the right direction but never used in the implementation phase.) Based on this, a set of technical feasibility pilots need to be conducted. This could be achieved by a set of structured FGDs in the different clusters comprising the program area. Once these are done, an implementation design needs to be drawn up allowing for flexibility in operations to take into account the different cluster characteristics. An independent process of monitoring and evaluation has to be built into the implementation plan. The program, its implementation and the process of monitoring have to be fully grasped by all partners --- the funding agency, the implementation agency, the monitoring and evaluation team and the ground personnel. All of this has to be done before the program starts to be implemented.
13. Periodic stock-taking has to take place to determine whether the implementation blue-print needs to be modified, or refined. Representatives of all the different partners must be involved in these discussions.
14. It appears that the program was designed to get to an ideal state that, unfortunately, was quite removed from the status quo. Women’s empowerment, in a backward society, requires large changes in formal institutions, social awareness, mind-set changes in individuals in a household and a massive dose of a corresponding political ideology. Achieving all of them within a short span of time, made shorter by delays and haphazard sequencing, is not possible. A more effective design would take each of the aspects that lead to, and sustain, women’s empowerment as a separate self-contained intervention with a co-ordinated and properly sequenced oversight of the overall program. For instance, connecting SHG federation members to institutional lines of credit must be achieved through a process, and hence by personnel, that is different from that of giving livelihood training to SHG members. Observe that the former can happen only after the federation members have been appropriately chosen from among those who have received the livelihood training. Such thought processes were lacking in the design.
15. The take-away is that the program was well-conceived and in sync with what the potential beneficiaries desired. If one were to follow some of the steps outlined above, it should be an implementable one.

1. IKEA Social Initiative Format B – Project Proposal document provided to IDF [↑](#footnote-ref-1)
2. The TRAs had well developed skills in particular areas. [↑](#footnote-ref-2)
3. Sixteen villages were selected randomly from 350 project villages across four development blocks in Jaunpur and Mirzapur districts. Women in these villages were categorized as SC/ST, Muslim, non-poor and from upper caste, Widow/Divorcee/Second marriage, and Adolescent girls. [↑](#footnote-ref-3)
4. For selecting women members who were vulnerable, a census of 97,000 households was conducted in November 2010. [↑](#footnote-ref-4)
5. Grading was to be repeated for all SHGs in October 2013 because of a break in project activities. [↑](#footnote-ref-5)
6. For a full account of the quantitative and qualitative methodologies, please see Appendix I. [↑](#footnote-ref-6)
7. The complete list of indicators (along with their definitions) is in Appendix I. [↑](#footnote-ref-7)
8. The complete econometric analysis, using propensity-score-matched control observations was submitted to IKEA Foundation in a longer draft of this report submitted in May, 2014. [↑](#footnote-ref-8)
9. “The Food Processing Industry in India Challenges and Opportunities for Investment and Trade”, a study by IDF conducted in 2006. [↑](#footnote-ref-9)
10. Source: Poverty for the year 2009-10 has been calculated by updating poverty lines of 2004-05 given by Planning Commission; calculations done by IDF. We have used Consumer price index (Industrial worker) for Urban and Consumer Price Index (Agricultural labour) for rural to update it. For state-region level poverty estimates, NSSO Consumer expenditure survey 2009-10 has been used. [↑](#footnote-ref-10)
11. http://panchayat.nic.in/brgf/ [↑](#footnote-ref-11)
12. Ministry of Textiles, Government of India [↑](#footnote-ref-12)
13. http://ipindia.nic.in/girindia/ [↑](#footnote-ref-13)
14. http://www.laborrights.org/sites/default/files/publications-and-resources/child%20labor%20in%20carpet%20industry%20122706.pdf [↑](#footnote-ref-14)
15. As per “Combined Updated Database of Value Chains” provided by UNDP [↑](#footnote-ref-15)