

European Commission
Chittagong Hill Tracts Development Facility
Phase-II
ALA/, Bangladesh



Mid-Term Evaluation Report

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This Report presents the views of the mission and it does not necessarily represent the views of the European Commission, Government of Bangladesh or any other organisation.

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ACRONYMS

CB	Confidence building component
CE	Community empowerment
CEP	Community empowerment project
CHT	Chittagong Hill Tracts
CHTDB	Chittagong Hill Tracts Development Board
CHTDF	Chittagong Hill Tracts Development Facility
EDM	Environment and Disaster Management
EIA	Environmental Impact Assessment
EO	Economic Opportunities component
HDC	Hill District Council
ICB	Institutional Capacity Building component
LCG	Local Consultative Group
LGED	Local Government Engineering Department
MoCHTA	Ministry of Chittagong Hill Tracts Affairs
PDC	Para Development Committee
Phase II	First phase of EC funding : January 2005 - June 2006
Phase III	Second phase of EC funding : July 2006 – September 2009
PM&E	Program monitoring and evaluation
PNGO	Partner Non-Governmental Organisation
QIA	Quick Impact activity
QIF	Quick Impact Fund
RC	Regional Council
RR/IDP/ExC	Returned refugees /Internally displaced persons/ Ex-Combatants
RWI	Region wide initiatives component
SHG	Self help group
ToR	Terms of reference
UnFC	Union level Facilitation Committee
UP	Union Parishad
Uz	Upazila
UzST	Upazila support team
VG	Vulnerable group
WYEC	Women Young entrepreneurs corps
YE	Youth employment
YEC	Young entrepreneurs corps

Executive Summary

Introduction

The European Commission (EC) is assisting CHTDF phase II, which runs from January 2005 to June 2006. The EC fielded this evaluation and formulation mission to assess the program's achievements and capabilities, and to assess whether and how it should support the program for another 3 years, i.e. CHTDF Phase III. The evaluation took place from 23 January to 8 March 2006.

The project's purpose is "To strengthen capacities and empower the key CHT institutions and local communities to plan, manage or support self-reliant development activities, confidence building dialogues and other conflict reduction initiatives, and also to benefit from region wide priority development services." The project consists of four main components, Community Empowerment(CE), Region-wide Initiatives (RWI), Institutional Capacity Building (ICB) and Confidence Building (CB).

Although it concerns a post-conflict confidence building project with its own dynamics and uncertainties, the mission could comfortably apply standard PCM evaluation procedures. Of the components Community Empowerment is the largest component and the only one that is in full implementation and could be evaluated using standard procedures. The other components are in various phases of proposal or testing, and have been evaluated as proposals, using the relevant EC evaluation grid, on basis of document study, briefing sessions, logframe exercises and budget proposals.

The mission has received considerable support in its task from both CHTDF and EC. Some of the challenges the mission faced were the complexity and size of the project, the different planning and evaluation systems and standards used by EC and UNDP, inadequacies in the Phase II logframe, and the incomplete state of preparation for some of the component proposals.

PART A IMPLEMENTATION EVALUATION

Community Empowerment

This component aims to empower communities and local institutions to plan, manage and support self-reliant small-scale development activities. The component has started two years ago and has evolved slowly in to a well-oiled progress machine involving numerous project staff, 19 local NGOs, one international NGO, various line agencies and the private sector.

At the time of evaluation it covered 1320 Paras (communities), of which 650 had started implementation of activities of their own choice, ranging from cow rearing to solar power and drinking water tubewells. By end of Phase II, 1650 Para Development Committees (PDC) will be fully engaged. This is 33% of all rural communities, covering more than 300,000 people out of a total population of 1.3 million. Costs will total \$ 17 million over 5 years, of which \$ 9.5 million will be directly handled by the PDCs.

If all activities (outputs) and resources (inputs) required for empowerment of 1650 PDCs are considered, the project has probably achieved between 20% and 35% progress in these two years.

In absence of feasibility studies, targeted activities and benefit monitoring the project is at present not in a position to say whether its activities will be technically sound, economically profitable, environmentally sound, and whether they will achieve equitable

benefit distribution (men/women, richer/poorer, disadvantaged/ advantaged). Rough estimates on basis of self-evaluation sessions with field staff meetings show that if CHTDF continued to provide intensive support and improved quality of support, by 2009 a respectable 40-70% of all PDCs would have achieved sufficient levels of awareness, access to external resources, and skills, and would start development initiatives by themselves and generate income. At present already few PDCs plan to form federations and venture in to new forms of development, while individuals benefit from newly generated employment. But generally the PDCs are not ready yet to manage their own affairs without external support, while moreover there is considerable variation among and within districts and PDCs based on accessibility, literacy, gender, and ethnic background.

The mission estimates that progress on the institutional front has been low but could not have been much higher. Now that communities become empowered and institutional strengthening is starting at all levels, attempts should be made to involve Union Parishads more deeply.

Recommendations. After a phase of high quantitative progress, the project urgently needs to attend to qualitative issues, in order to ensure impact and sustainability of achievements in 1650 PDCs.

The mission proposes that CE:

- will postpone adding Upazilas, NGOs and PDCs till quality and sustainability is ensured
- assess before any new PDC initiative is started, all 41 possible sector interventions on technical, economical, social and institutional feasibility and environmental impact; and improve the intervention scope and approach for impact and sustainability
- review and adjust its empowerment process to include
 - appropriate support plans for remote, illiterate and otherwise disadvantaged PDCs and for extra large Bengali Paras
 - needs assessments and support plans that segregated for gender, and where applicable for minority or disadvantaged groups within larger PDCs
 - self monitoring by PDCs and formulate exit strategies for each Para
- will speed up institutionalization (and community outreach) of CE process
- will provide direction and focus for region-wide initiatives, ICB and confidence building activities

Phase III. To complete its commitments to 1650 PDCs and ensure impact and sustainability the component will need roughly \$18.5 million, for five years. With \$8m paid for by EC (Phase II), USAID and NORAD, the component still requires \$10.5 million from EC during for Phase III.

PART B EVALUATION COMPONENT PROPOSALS

Institutional Capacity Building

This component, as formulated in a nearly completed component document, aims to enable six key CHT institutions to play a beneficial role in development of the CHT, by resolving mandate conflicts and strengthening of capacities.

The mission assesses this component as crucial for CHT development and thinks the project is well placed to undertake the program. To achieve mandate clarity and

institutional capabilities at par with those in the plains districts, might take longer than the planned two years, because of the sensitive nature of the issues at the one hand, and the limited capabilities of government institutions at the other. The mission advises, while focusing on the six key institutions, to include others, notably Upazila and Union institutions, in the picture of institutional development. It recommends inclusion of this component for the proposed budget of \$1.5 million.

Economic Opportunities

This component aims to achieve economic development through youth employment, improved marketing, private sector development (product development, investment and business linkages), and community-based tourism.

The document prepared for this component needs improvement providing more focus and coherence, with a more adequate coverage of issues like target group identification and approach, participation, ownership, institutionalization, and exit strategy. The mission proposes an inception period in which all the issues are sorted out through meaningful stakeholder participation, resulting in an upgraded approach, workplan and budget.

The mission thinks further that private sector development and community-based tourism should in the coming phase be limited to product development and community empowerment and that proposed initiatives involving outsiders (investment, partnerships, community-based tourism) should be postponed till a later stage, when partnerships with outsiders can evolve from the strengths, needs and plans of local stakeholders and their institutions.

The project should further increase prospects of sustainability by leaving the design, implementation and management of e.g. marketing infrastructure and youth employment funds to those community or local institutions that are supposed to continue with them.

The mission recommends inclusion of this component for \$1.6 million, which is sufficient for 3.25 years implementation of a component that omits (postpones till 2010) the more risky of the tourism and private sector development activities.

Environment & Disaster Management

This component aims at environment & disaster management through assessments, management plans, pilot activities and institutional strengthening. Only a Terms of Reference for a formulation mission was available. The mission assesses that the risk of duplication with the EC-supported CHARM project (2006-), the ADB-supported environmental assessment (2001), and UNDP-supported Sustainable Environmental Management Project (SEMP) is considerable. The mission therefore proposes not to include these subjects as a separate component. The mission proposes to consider disaster risk management as an opportunity within the Institutional Capacity Building. Environmental assessments and management plans for community initiatives are already proposed to be part of the new Community Empowerment workplan.

Education

Only a Terms of Reference for a formulation mission was available, and the mission could not well evaluate this component or recommend its inclusion as a separate component. The relevance of education is beyond doubt and suitable approaches are available, but the main issue is sustainability. The government will not be sufficiently able to continue supporting education activities and schools started by remote, poor and minority communities. Any formulation of a full education component will have to focus

on solving the sustainability issue. The project can anyhow facilitate PDCs and community schools in limited ways, e.g. with upward linkage to GoB-support, teacher training, and adult literacy for illiterate PDC members.

Confidence Building

This component consists of already cautiously started dialogue and exchange activities for which no separate proposal will be written, one proposal for Minority Rights and Culture, and a set of unelaborated proposals (mostly ToRs) for solving long-standing issues like police reform, elections, refugees, land and forestry.

This component is actually the core component of CHTDF, and highly relevant. There is no other project or institution that is better placed to address these issues than CHTDF. The component is complex because of its many angles, many issues and full dependence on political will from all sides. Progress will at best be slow and tentative.

The mission assesses the dialogue and exchange activities as necessary steps for confidence building. The Minority Rights and Culture proposal addresses important issues as felt by minorities, but should be provided with a consistent problem analysis and be much more specific on target group identification, participation, ownership and exit strategies.

The subcomponents for long-standing issues are not elaborated at all yet. As they are however very important, the mission proposes to include a budget with a tentative workplan. If and when the opportunity arises to start activities for any of these subcomponents, an inception period should be included to ensure a quick start and arrive at a workplan and approach agreed by all stakeholders. It is important that the project will adjust the approach and inputs to the style and means of the owner of the process, i.e. the implementing agency.

It is proposed to include the proposed \$3.5 million for all subcomponents together.

PART C: THE PROJECT AS A WHOLE

The Project In Its Environment

The tensions between indigenous people and Bengali settlers and the resulting lack of confidence among major institutional stakeholders to deal with each other in an atmosphere of trust and cooperation define the operating environment of the project. It must be assumed that this situation will only very gradually improve. The mission makes the following assessments:

- Both project and CHT institutions will not have the capacity to deal with a best case scenario in which all at once all long-standing issues can be solved.
- Although it is a post-conflict area, it is possible to undertake regular development work in the area. Occasional set-backs like the Mahalchari incident can still be expected, but will probably only affect operations locally.
- Although CHTDF is a development facility, it is actually implementing or planning to implement most components by itself. This has considerable advantages for the approach, clarity, coordination and security, but also carries risks:
 - Firstly, it is not well possible for a project of CHTDF's character and set-up to manage so many different components alone in such a complex environment, providing to each component, whenever required, sufficient resources, expertise and management attention.

- Secondly, CHTDF is the biggest development actor in the CHT, and will even become bigger when other components take off in near future. Its size, resources and flexibility might hinder the development of ownership feelings among the generally weak local institutions, even if their capacities are strengthened.
- It is clear that CHTDF urgently review the alternative scenarios, its role as facilitator and implementer, and its exit strategy for each scenario. The risk of not doing this will be the weakening and frustrating of the CHT's institutions, and ultimately its population.

Management, Planning and Administration

The QSG of October 2005 in Brussels has expressed questions about the project's absorption capacity, in view of slow progress on the planned activities under Phase II. The mission when assessing management and absorption capacity makes the following assessments:

- Implementation was delayed, because the project did not have enough budget to implement the biggest budget component, notably community empowerment, until October 2005 when EC budget was released. Expenditures have picked up since then, and it is expected that most community empowerment budget will be spent before Phase II ends
- The project could not really start the other activities, which require government partnership, before the government had signed the Prodoc in December 2005.
- The absorption capacity of the project depends further much on the absorption capacity of partner institutions, which is at present very low, and the level of trust and consensus among stakeholders, and the related time spent on trouble shooting
- The administration, planning and monitoring capacity of both Dhaka and field offices requires strengthening especially in the face a sizeable program expansion. It is probable that the upcoming UNDP institutional review will be able to solve part of the problems.
- The project deals with various donors, but is not yet fully able to provide each donor adequate information on progress and expenditure against plans and budgets, and create clear insight in which donors have funded what activity.
- The tendency of the project to add components from third donors on top of the ones included in the Prodoc further reduces its absorption capacity.

The mission advises 1) to increase planning, monitoring and administration capacities, 2) to be cautious in expanding the programme, 3) to not add extra activities outside the set of activities agreed upon in the Prodoc, and 4) to prioritise among components, so as to be able to concentrate on priorities in times of constraint.

The QSG also asked to assess whether alternative delivery mechanisms with more direct EC involvement would enhance political dialogue on CHT between EC and GoB. The mission estimates that with the present status and progress of CHTDF, the present arrangement will actually be the best alternative. It further assesses that a separate EC-GoB agreement will complicate and delay implementation of development and confidence building in the CHT.

Conclusions and Recommendations

The mission concludes the following:

- The focus and approach of the project are highly relevant, and the present assistance is the only way for the EC to make a substantial contribution to peace and development in the CHT with a reasonable chance of success.
- The community empowerment component has so far booked good progress and should complete its commitments to 1650 PDCs with more emphasis on quality and sustainability.
- The ICB component can be started as proposed
- The RWI and CB subcomponents need more elaboration and focus before implementation. The mission advises to start each new RWI/CB subcomponent with an inception period in which to ensure stakeholders participation and ownership for the plan, implementation and post-project continuation.
- Activities that need stronger communities or institutions than can be expected within Phase III's first year, should be postponed till Phase IV
- Environment and disaster management are not ready yet to start as individual subcomponents, but some activities can be started on a limited scale within CE and ICB
- As it will be unrealistic to expect that all "long-standing issues"- subcomponents will start in full mode during the coming phase, the mission advises a moderate and flexible CB-budget, which allows the project to continue present activities and initiate new ones as and when opportunity arises

PART D: PHASE III PROJECT FORMULATION

Phase III Project Formulation Activities

The mission initiated formulation of logframes, work plans and budgets for all components proposed for inclusion. These have considerably helped the project and the mission to visualize the third phase.

- All logframes, except ICB, are still incomplete, as they miss a description of activities.
- Some of the budgets require detailed activity budgets that show quantities and unit costs,
- Economic Opportunities needs still to include a third project year and to exclude activities advised against by the mission.
- Community empowerment still has to include sufficient budget for technical feasibility studies, environmental impact assessments and education support.

Recommended Project Outline

The mission assesses a third CHTDF phase with increased budget as feasible. The funding proposal's basis is the Program Document, the existing commitments towards communities and partners, and component proposals. The project requires Euro 17.7 million, of which UNDP contributes Euro 1.77 million (10%) and the EC itself Euro 15.9 million. In proposing the budget, the mission has maintained the 7% overhead costs as agreed upon between EC and UNDP, and included Operations cost of \$1.5 million on advice of the project.

Table 1 Funding Proposal (US\$ & €)

Heading	Status	Prodoc Phase II & III	Phase III, 2006-2009			
			Total	UNDP	EC (\$)	EC (€)
		(\$'000)	(\$'000)	(\$'000)	(\$'000)	(€'000)
ICB	Plan	2,708,000	1,500,000	150,000	1,350,000	1,134,454
CE	Phase 2	29,542,760	10,300,000	1,030,000	9,270,000	7,789,916
RWI: Economic	Plan	1,555,600	1,600,000	160,000	1,440,000	1,210,084
RWI: Education	ToR	-	1,300,000	130,000	1,170,000	983,193
RWI: Env & DM	ToR	1,020,500	-	-	-	-
CBldg: Min.R.	Plan	448,000	450,000	45,000	405,000	340,336
CfBldg: Other	Concept	3,379,950	3,050,000	305,000	2,745,000	2,306,723
Operations		9,259,744	1,500,000	150,000	1,350,000	1,134,454
SUBTOTAL		47,914,554	19,700,000	1,970,000	17,730,000	14,899,160
Overhead 7%		-	1,379,000	137,900	1,241,100	1,042,941
TOTAL		47,914,554	21,079,000	2,107,900	18,971,100	15,942,101
TOTAL (€)		40,264,331	17,713,445	1,771,345	15,942,101	

Conditions for Financing CHTDF Phase III

In view of earlier discussed constraints experienced by the project so far the mission proposes that the EC will make the following conditions:

- To continuously review the relation between priorities and capacities
- To keep the total commitment for Phases I, II and III within the US\$ 50 million
- CHTDF should not add mandates and small initiatives that will divert its attention
- The project's planning and reporting format should clearly indicate which donor's contribution is used for what purpose
- For the case that the project will have to make choices in times of constraints (time, budget, political), the mission proposes the following sequence of priorities among components with regard to the EC's contribution:
 - Completion of Community Empowerment commitments and quality improvement
 - Activities complementary to Community Empowerment, e.g. EO, ICB
 - Confidence Building regarding long-standing issues
 - Education, minority rights and culture
 - Study tours, awards and incentives
 - Health, disaster management

Long-term donor commitment to the CHT is crucial for confidence building and development of the area, and the mission feels the EC should consider its commitment to be even beyond Phase III. The mission thinks that for the coming Phase III the proposed project is still ambitious, but well feasible because of the individual components' relevance and mutual complementarity, and because of the CHTDF's achievements, strengths, and position in the area. The mission feels confident enough about its feasibility to recommend the project for funding.

CHTDF Mid-Term Evaluation & Formulation Report

1 Introduction

The Chittagong Hill Tracts Development Facility, or CHTDF, as it will be named throughout the report, is a multi-sector confidence building and economic development programme implemented through UNDP with the Ministry of Chittagong Hill Tracts Affairs through a wide range of collaborating institutions. CHTDF started in 2004. In December 2005 UNDP and GOB signed the Project Document.

The project aims, as its logframe states, “to give a firm grounding to the CHT Peace Accord through supporting the Government of Bangladesh and the institutions of the local communities of the CHT to pursue a sustainable socio-economic development.”

Its purpose was “To strengthen capacities and empower the key CHT institutions and local communities to plan, manage or support self-reliant development activities, confidence building dialogues and other conflict reduction initiatives, and also to benefit from region wide priority development services (e.g. health, education).”

The project consists of four major components, Institutional Capacity Building (ICB), Community Empowerment (CE), Region-wide Initiatives (RWI) and Confidence Building (CB). The project has so far only started CE, which is the largest component, and some study tours, exchange visits and dialogue activities under CB. The other activities could not start yet, partly because full government cooperation or regional consensus was required, the first of which was only possible after signing of the Prodoc in December 2005, and the second of which the project is slowly working on still.

The European Commission (EC) is assisting the current phase, Phase II, which runs from January 2005 to June 2006. The EC fielded this evaluation and formulation mission to assess the programs achievements and capabilities, and to assess whether and how it should support the program for another 3 years. The present evaluation took place from 23 January to 8 March 2006. The programme has never been evaluated before.

See Terms of Reference in Annex 1.

2 The Mission

The mission consisted of three consultants, Marie-Therese Mayoux, Thomas Costa and Arend van Riessen, Team Leader. It was joined in the field by Aung Kyaw King Marma for logistical and translation support.

The mission consisted of two separate but interlinked parts. Firstly, it evaluated the implementation of the Community Empowerment component, which is in terms of budget and size by far the biggest and is the only component with significant progress. Its evaluation was done by using the regular EC evaluation framework. Secondly, it evaluated the other components which are in various stages of preparation or have only seen few tentative initiatives so far. These components were evaluated using the headings and questions of the EC grid for assessment of proposals (Annex 2), converting these to reporting text.

To evaluate the Community Empowerment component, the mission has visited relevant project offices in Dhaka, Rangamati, Bandarban and Khagrachari, and 27 Paras in six Upazilas, and had numerous exchanges with officials and staff of MCHTA, RC, HDCs, DCs, UNOs, line agencies, Unions and NGOs, as well as with individual social leaders of the area. See Annex 3 Itinerary and Persons Met.

The Paras were proposed by the project on the basis of preferences indicated by the mission. The selection provided a good cross-section of the various activity types, levels of access, ethnicities, project success, and stages of implementation. Only few types of PDC activities, and only the rare ones like biogas and rain water harvesting, were missed. And among ethnic groups only two out of thirteen (if Bengali and Santal are added to eleven CHT indigenous peoples) were missed, namely Khyang and Pankhua, constituting less than 1% of all of CHT people and of CHTDF PDCs. See names of villages in Annex 3.

Village visits consisted of discussing the process, achievements and future with the PDCs, who normally turned up with fifteen to thirty members. Of these at average 20 to 40% were women. Most villages were rather homogeneous in terms of ethnicity and wealth, which made evaluation of equity issues more easy. When possible the women were interviewed separately. Activities and achievements were inspected through more detailed site visits at about a half of all visited PDCs. Where possible the concerned Union Facilitation Committee and Upazila officials were met.

Evaluating the other components was done through scrutinising of documents provided by CHTDF and briefing-cum-logframe sessions with relevant CHTDF Dhaka staff. CHTDF finalised the logframes and made work plans and budget on that basis, which served a double purpose, namely as updated plans for the mission's evaluation and formulation purpose and as building blocks for the description of the action that the project is required to write as part of the funding proposal. Unfortunately, the mission received most of the budgets only in the last two days of its stay in Bangladesh, which made it impossible to review all aspects with the full team. The mission decided to postpone submitting its final draft to integrate the assessment of these proposals in its assessment and recommendations. It has thoroughly revised the first draft report for that purpose.

Although the project takes place in an uncertain post-conflict environment, standard PCM evaluation procedures could be followed adequately. Most of the activities are designed and implemented as regular development activities and could be evaluated as such. The only subcomponents that deserve a slightly different approach are the subcomponents dealing with long-standing issues under the Confidence Building component, but only because the risks were high. Some of the activities are worth to be planned and budgeted even if there is a high risk that the circumstances will not allow their start any time soon.

Throughout the mission, the team has been in close consultation with both CHTDF and EC. Meetings with CHTDF-Dhaka and EC on preliminary findings were held on 14th February and 1st March, while a similar meeting on Community Empowerment was held with all relevant UN CHTDF staff in Chittagong on 27th February. Final debriefing meetings were held on 5th and 7th March with CHTDF and on 7th March with EC. See the mission schedule.

Finally, a few aspects of the environment in which the mission took place should be mentioned:

Overall Environment

- Full, continuous and professional support for the mission by the CHTDF and EC
- CHTDF team inspiration at all levels that worked stimulating
- Security hassles and complications that reduced mission mobility

- Hartals (strikes) affected meetings, workload and efficiency

Availability of documents, proposals and staff

- The Phase II project logframe had actually no effectiveness or impact indicators
- Subcomponent proposals were not prepared with logical planning tools to which an evaluation can relate
- Some relevant information and documents only came through towards the end of the mission
- Different EC and UNDP planning and reporting systems and standards
- Overstretched project team had to contribute to Phase III formulation beside numerous other tasks
- Most subcomponents have no elaborated component document yet

Character of project to evaluate and formulate

- A highly complex set of subcomponents (actually projects)
- Continued misconception that EC assistance was/is unspecified blanket funding
- Most subcomponents actually deserve separate specialist donor assessment missions, like done for health

3 The Structure of the Report

The evaluation is done in two parts, in Part A the evaluation of implementation of the Community Empowerment Component and then in Part B the evaluation of component proposals, where after Part C deals with the project overall. Part D deals with the formulation of EC assistance to Phase III.

PART A: Evaluation of Implementation

4 Community Empowerment

1.1 CE Relevance

CE Problem identification

Problem identification essentially took place during the 2002 joint GoB risk assessment mission, which was based in itself on other problem assessments like the ADB CHT Regional Plan exercise. This mission identified poverty and peace accord implementation as the major issues, exacerbated by factors such as land scarcity, low level of education, health, and incomes and weak institutions.

In 2003/ 2004 the project concept's relevance to the CHT situation and needs was in depth tested with the UNDP-funded « preparatory assistance » targeting 500 paras. During this phase, the socio-political relevance has been intensively discussed with CHT leaders before a green light was granted to implement the project .

From inception till now, the relevance of the project to the problems of the CHT is verified in two ways :

- CHTDF management holds in-depth consultations with a wide range of stakeholders, including local authorities and leaders of all CHT community groups ; this allows for prevention and resolution of conflicting interests and visions in the target region.
- At field level, CHTDF and NGO staff also contribute to a continuous adjustment of the project to changing realities, through a general attitude of openness to challenges and practical conflict prevention at community and district levels. The reporting and coordination system enables lessons learnt from the field to feed the project .

Context in 2006

The Poverty Reduction Strategy is more conducive to addressing minority rights issues; mostly due to the high level consultation between indigenous people representatives and Government that CHTDF and EC organised last year.

But there is no progress on implementation of the Peace Accord, while key issues such as land scarcity and migrations are worsening; no socio-economic improvement is visible for the majority of CHT people; although GDP per capita may have increased.

Other donor-funded initiatives focus more on infrastructure and basic needs (WFP, UNICEF) than on civil rights or local governance, although they also work through community-based organisations.

The component objective, community empowerment for self reliant development actions, is still very relevant to the needs and aspirations of the CHT people.

At program level, to ensure a more technical monitoring of relevance in the long term, a base line survey and continued analysis of trends in social, political, cultural and economic dimensions are not been undertaken.

CE Identification of target group needs

Method and criteria to select project sites have been determined with very active participation of all CHT social and political stakeholders. These criteria constitute a matrix of poverty standard indicators and indicators of external assistance. Thus target villages include a majority of households who are at the same time the most vulnerable and the least aided by GoB and other donors. The selection procedure is not handled by CHTDF but by local authorities and facilitation committees.

Though this methodology is sufficient to ensure sound and transparent prioritisation, it was questioned during the first year of implementation by representatives of the Bengali communities. In the following selection phase, more Bengali Paras were included, using the same criteria; tensions are now eased.

In each of the selected Para, the needs assessment combines a survey done by partner NGOs (Para profiles) and community self assessment with basic PRA methods: problem tree, followed by "fruit tree" synthesising results expected from the community development process.

This would be satisfactory provided that weaknesses are corrected:

More in depth analysis is needed for the most vulnerable communities: villages in remote areas, villages where literacy is almost nil, and sub communities in mixed villages (landless farmers, ethnic minorities).

Needs of women and girls are not identified with these needs assessments methods.

This introduces a systematic bias in Para projects identification and management, as well as in the project result monitoring system, which eventually weakens its effectiveness for half of the target population.

It is thus not possible to clarify which type of community projects eases women burden, or improves their status and which have opposite effects. The latter might e.g. occur with cattle rearing and power tillers.

This major shortcoming of the gender mainstreaming approach should be corrected in the next phases, not by gender training but by integration of gender sensitive tools.

Para profiles and project level monitoring system should include gender segregated data where appropriate to cover practical needs as well as strategic needs.

PRA sessions should include parallel exercises to provide women's views the same legitimacy as men's forming a sound basis for negotiating Para project priorities and implementation methods.

Gender impact of projects per sector should be assessed with participatory methods.

- The pace of the needs assessment/ project identification process is too high to allow most communities to really consider a wide range of alternative situation analyses and development options. Some of them would necessitate more effort to make sure their projects are profitable and address their most important needs.

This weakness is currently under correction by communities themselves as they reach the 2nd instalment phase: many of them are currently revising their projects, with more experience and reflection on alternatives, assisted by NGOs who also have gained more knowledge in the past year.

Although this is slowing down the project, it does improve its relevance to the needs of the target groups.

CE Adjustment of the project methodology to local partners capacities

NGOs' capacities. Although already enhanced by previous donor funded programs, these were insufficient at project inception time; this has been adequately addressed through intensive training of all field staff, aided by project start-up delays which allowed for extra training.

But the capacity so far built mostly relates to operational, QIF centred activities. In the coming phase, should the component focus on more qualitative than quantitative issues, NGOs still have to be intensively supported regarding participatory approach and facilitation tools, result-oriented monitoring, and organisational management.

Local institutions capacities. The lack of clarity of their rules of business, as well as financial and human strengths and limitations were accurately assessed in the preparatory phase. The component strategy was appropriate: it involved them not in

implementation but in strategic aspects such as selection of beneficiary unions and communities, facilitation and monitoring of the projects.

In the coming phase this is still relevant but should be gradually completed by direct capacity building actions, in particular on community outreach, and progressive involvement of the Hill District Councils, UNOs and Unions in QIF management in view of transferring full responsibility at the end of the project. This may be done under this component and /or under the Institutions Capacity building component.

Capacities of Line Agencies. These have not been studied in a systematic way in the design phase, although they were expected to be low or not in line with the community led development approach.

This having been overlooked, the role which is allocated to them (technical assessments of Para projects, technical training of communities, and technical assistance during implementation) proved not sufficiently consistent with their actual capacity.

This has been a real challenge for all project staff members who put a lot of effort and resource in trying to solve numerous practical consequences. It has to some extent slowed down the progress of village projects, and more importantly impacted on profitability and sustainability.

In future, this has to be addressed by revising in a more realistic way the project assumptions and identifying alternative strategies, such as:

- technical, social, economic and environmental assessments by expert outsiders of the type of activities under various conditions (hill-plain, literate-illiterate, remote-accessible, lakeside-hilly). This will narrow down the options suitable for each type of village and reduce the risks involved in choosing options when no expert is around.
- strengthening / creating private sector technical skills in areas where this component has created a market, e.g. mechanics of agricultural machinery, veterinary services, input supply.
- planning personnel deployment with line agencies to make the most of their existing human resources

CE Coherence with other development initiatives

Coherence with other components

In the logframe, the intervention logic is overall coherent and addresses issues identified in the problem analysis. Community empowerment was and still is the back bone of the program, areas of complementarity with other components are clear and there seems to be very few overlaps.

In reality complementarities between components could not be realised so far. Other components were delayed and have not started, while component formulators have not explored how their component and CE could be complementary to each other.

A gender strategy has been outlined for the entire program but not been implemented, mostly for poor adjustment to the actual needs of the component. It is strongly recommended to revise the gender strategy with less emphasis on training and

sensitisation at community level and more on practical action at component level to raise it up to EC and UNDP standards.

It is now urgent to design other components keeping in view the CE component requirements for sustainability: institutionalisation of the process enhanced technical and marketing support to Para projects, environmental and gender impacts assessments and tailor made strategies.

Coherence with other donor funded and government programs

The project is at present the biggest player in the development field in the CHT and most other projects and other actors will consult and coordinate with CHTDF. This does not always lead to cooperation and avoidance of overlap. For Community Empowerment the biggest challenge seems to create synergy with the ADB-supported rural development project, which intends to work in all 111 Unions of the CHT on seemingly similar issues as CHTDF.

1.2 CE Efficiency

CE Activities and deliverables

At the end of December 2005 the coverage of the CE component was already remarkable. According to project data 1320 Para Development Committees were formed, 1158 projects formulated, 740 submitted for approval and 595 started with a first instalment of €1200 to €2400 from UNDP. About 210 implemented their projects successfully and received second instalments.

Table 2 CE Cumulative Progress

Description	EC Funding					
	Jul-04	Sep-04	Feb-05	Jun-05	Dec-05	2005
PDC formed	143	318	515	598	1,320	805
QIF project formulated	25	258	506	588	1,158	652
PDC accounts	10	251	474	582	1,107	633
1 st installment, no.	2	142	325	411	595	270
2 nd installment, no.	-	-	-	-	169	169
3 rd installment, no.	-	-	-	-	10	10
QIF allocation \$	-	839,013	1,758,055	2,578,251	3,502,687	1,744,632
QIF disbursements \$	-	424,190	1,053,353	1,500,910	2,071,057	1,017,704

Note: see also the progress graph on page 55.

Project progress statistics do not keep track of the number of households and total population reached, but the monitoring section estimated Paras had at average 42 households. With at least five members per household and thus 200 people per Para, the project would already have engaged some 260,000 people (1320 Para) and benefited about 130,000 (640 1st instalments by early February 2006). This would correspond with one third of all 4800 Paras and rural population, and be considered a very sizeable achievement. No numbers were available for people trained also because most of the training is done in the village during PDC meetings with varying numbers of participants.

Activities were performed in a very fast but regular way, without drawbacks on either of the main steps (selection process, training and orientation, disbursements, operations). This was achieved under many constraints, only few of which were anticipated by the project design:

- Late Government approval of Prodoc,
- NGO staff skills building almost simultaneous to their activities,
- Delays in procurement of NGOs monitoring and reporting equipment
- Difficult working conditions: hours of walking, lack of facilities, police and armed forces controls on all staff movements,
- Line Department's technical support inadequate to screen projects proposals.

These constraints were overcome by NGOs and UNDP staff members through their willingness to compensate constraints with overtime, and their high motivation to make a tangible change, due in particular to their social proximity with project communities.

However on some aspects progress has been slower than expected:

- many training modules are not yet developed or delivered, for lack of sufficient time allocated to other than QIF centred activities
- few requests for second QIF instalments are received by CHTDF within the expected timeframe.
- The Causes of the low pace of requests for 2nd instalments are currently under scrutiny by CHTDF project staff. It is most probably a consequence of:
 - Under-estimation of the time needed by some communities to implement their projects: for the most "unempowered", remote or illiterate communities, absorption capacity is even lower than for other PDCs.
 - Difficulty in analysing and formalising results of their first actions in the requested format,
 - Reformulation of their initial plans to adjust these to fresh priority ranking.

Communities, as well as field staff, are still on a learning curve. After a first cycle of project design and implementation, their experience is fuelling the improvement of the second cycle. It is also recognised by project staff that the quality of the design in the second batch of PDCs project is higher than in the pilot ones.

Conclusions

The pace and level of realisation is a strong indicator of the component efficiency. It has also contributed to build self-confidence among communities and trust of local institutions and leaders, both critical factors of project success. It has created a momentum, as well as high expectations from communities and external stakeholders.

But this has also introduced some weaknesses that should be corrected in the next phase before they impact on quality (effectiveness) and sustainability:

- High work pressure on all staff members

- It seems already difficult to keep on board those who don't have personal bonds with CHT; moreover, the CE team members are also absorbed by facilitation of the preparations and piloting of other components.
- The focus on QIF has not allowed for a firm grounding of the empowerment process: needs analysis, organisation building, integration of all members, are fragile.
- Technical conditions of the Para projects have been overlooked: financial consequences of wrong technical choices, or inaccurate feasibility assessments will have to be compensated by additional or alternative support.
- The short training modules will necessitate that more time and resources are allocated to post training assessments and follow up support to field staff.

This advocates for a strategy of consolidation before any expansion to new Upazilas.

CE Funds allocation

In general, for this component, funds have been disbursed as planned in the 2005 budget.

Expenditures in 2005 were lower than expected because

- Some staff members have left and are not yet replaced, or first recruitments are still being processed.
- Procurement of NGOs computers and motorcycles has been delayed until Feb. 2006.
- The number of 1st instalments picked up only towards the end of the year and could not yet be processed in the 2005 expenditure report

Expenditures are justified by activities

Half of the component budget (excluding QIF fund) is absorbed by subcontracts with NGOs; the rest corresponds to UN staff members (in majority volunteers), exchange visits between communities, and initial and operational costs of vehicles.

The number of vehicles is justified by the high amount of on site monitoring required, geographical constraints and the low level of equipment of local partners (NGOs, Facilitation committees) who also use these for monitoring and /or implementation responsibilities. The same vehicles are used for other components missions, for external visitors etc. The EC mission did not find among external stakeholders interviewed any resentment against this highly visible "wealth" of the project.

Cost efficiency of NGOs contracts

The salary scale is standard except for NGO field staff salaries which exceed local ones ; this has been set up through negotiation with CHT institutions and leaders and distortions can be justified by the fact that field coordinators in this project have more responsibilities than their counterparts in most other projects (number of Paras, QIF amounts). On overall, cost efficiency of local partner NGOs is satisfactory.

But their sustainability may be at stake in a few years when field staff salary expectations, justified by years of experience and training, can't be met by other potential income sources for NGOs.

Management and technical capacity building for NGOs is needed to ensure they are able to develop sound plans and access more opportunities after phasing out of this project.

Coordination with other donors is also required; so far only one agency has revised its scale to match CHTDF's.

CARE has been selected for its capacity to provide the highest level of training development and implementation. The organisation has so far provided QIF process centred training modules to UNVs and NGOs staff and EDs (staff recruitment, Para profiles, QIF book keeping, meetings facilitation, PRA...).

The number of persons trained is quite high (247 in the first year) and if attendance to Facilitation committees and coordination meetings is added, work has exceeded the capacity of the 6 staff strong CARE team. CARE has recently increased its staff to cope with this.

Quality of the training material must be improved. Although developed in close collaboration with CHTDF, it is weak, in particular on participatory methods: very little use of pictorial tools, no gender sensitiveness. Other module contents are heavy as compared to the limited number of days.

Quality of training outputs has not been sufficiently controlled for lack of time allocated to follow up visits. Field staff facilitating skills may still be insufficient to meet the empowerment objective with genuine ownership of the project by all community members.

It is recommended that in the next CHTDF-CARE contract the number of training modules is carefully restricted to immediate project requirements. These pertain mostly to consolidation of the empowerment process. Thus precise quality control measures should be set up and implemented, and the standard of the training material should be improved.

Participatory monitoring tools and procedures are to be developed in priority to guarantee ownership of the Para projects by communities. The existing gender training module must be revised in order to give more practical insights. All training modules should be redeveloped to mainstream gender with an appropriate methodology.

Unless these corrections are undertaken, cost effectiveness of CARE's performance would remain low.

CE Human resource development

NGO Human Resource policies and practices

These are closely monitored by CHTDF UN staff that controls the recruitment process and undertakes systematic annual reviews and audits; daily interaction between UNVs and NGOs staff in the field and in coordination meetings allows for an informal but efficient supervision for smooth implementation regarding this part of partner NGOs

activities. However, as a whole NGOs' managerial capacity still needs to be enhanced in areas of human resource planning and development.

UN personnel bottlenecks

For this component, the coordinator's post, the NGO Capacity officer post and the Gender PO post have been filled and are again vacant for various personal reasons. One National PO post is also vacant but should be filled shortly. Consequently, the Field manager assumes the daily management of the CEP component in addition to her other responsibilities: security coordination for all UN programmes in the CHT, plus administration of new components such as Health, and representation, with an uninterrupted flow of missions.

So far this has not hampered the pace of progress on primary activities, but has installed a climate of very high work pressure, which, for non CHT staff, adds on to other hardship like limited mobility during weekends for security reasons. In this regard, UNDP should consider all possible ways of easing up the working conditions for non CHT staff that are more susceptible to leave the region.

This has reduced the potential for "secondary" activities such as reporting, monitoring and to some extent planning. Qualitative issues have also been temporarily sidelined.

In the next phase, if more components and actions are to be organised from the Rangamati base, it is recommended to CHTDF to select which of the preparatory tasks are relevant to the CE component objectives and needs, and to allocate sufficient human resource at field management and community levels. This is in particular the case for the Health and Economic opportunities components, which pilot implementation may overstretch and threaten CE team operational capacity.

CE Equal opportunities

10% of CHTDF UN staff is female. In partner NGOs the ratio is 0% for Upazila Coordinators, but more than 40 % for Community Facilitators who have the lowest level of education, and experience. Recruitment rules were designed and implemented so as to ensure equal opportunities, and causes of the imbalance rooted at mid and upper level of the project have been identified: low number of qualified and experienced women from the CHT, and difficulty for others to move in remote and not completely secured areas, with transport and security constraints. Many of the women, who have applied, were already engaged by other programs.

Important steps are taken to improve the ratio. CHTDF will train more CHT women up to the required qualification levels through internship (6 intern posts will be open in 2006), and specific attention to facilitators to accompany their professional progression.

CE Management of operations

Procurement procedures through UNDP central office take up to 6 months.

The negative impact on NGOs capacity to handle monitoring and reporting with ICT was partly mitigated by ad hoc arrangements, CHTDF equipments were offered where available.

However, it is strongly recommended that UNDP solves the problem, probably by delegating to CHTDF, and preferably to the Rangamati office, sufficient authority for

procurement of locally available items. QIF financial management is already decentralised this can serve as a model for other procedures.

CE Monitoring

Component monitoring

Efficiency monitoring (activities and deliverables) is appropriate and reliable. Clear quantifiable indicators are set to track progress along 10 steps specified by the component guidelines. NGOs share monthly reports of their results against targets in district staff coordination meetings with CHTDF staff and CARE. UNVs and IUNVs verify by regular, although quantitatively insufficient, field visits.

The QIF financial procedure is also very clear; all steps are followed by national and international staffs. It is in general reliable.

Monitoring by other stakeholders should be improved:

Union Facilitating committees should be given more responsibility as well as means to make decisions about communities' project proposals on a sound technical and financial basis. This will impact on transparency as well as sustainability of the project.

GoB Line Agencies technical monitoring is below project requirements in most sectors.

Monitoring of activities immediate results is weak.

Training sessions results in particular, have been assessed by CARE in simple "satisfaction" formats, and on site evaluation of staff actual utilisation of their new skills is almost nil due to time and capacity constraints. (3 to 5 visits per month for 250 persons trained in 5 different modules).

Monitoring of qualitative aspects of activities such as PDC formation, projects identification, financial management is done in an informal way by field staff and UNVs, mostly to ensure compliance with the operational guidelines. Corrective actions can be taken if necessary but these are not formally monitored.

Effectiveness monitoring is not formalised.

There are no indicators or targets in the logframe against which to measure communities' progress towards self reliance. The project monitoring unit has not developed a satisfactory (feasible and usable) system, although it has identified a few questions related to this issue. But the concept of empowerment is precisely defined in the guidelines ; moreover with a result-oriented mind set, field staff are able to share with the EC mission their own analysis and concerns on effectiveness of their actions.

Thus the EC mission identified effectiveness indicators through workshops in two different districts. These have been tested for relevance to field realities, and coherence with the guidelines and project documents. They are used by the mission to assess effectiveness in the next chapter.

Recommendations

- These indicators should be used in the next logframe.

- The planning and monitoring unit needs to be strengthened and its work and resources reoriented towards results and effectiveness assessment.

See 5 for the monitoring framework.

PDC monitoring for empowerment

The project has not availed to communities usable tools for monitoring their progress against their own objectives. So far communities do not have in their village any appropriate reference document, apart from the "fruit tree" which maybe, to some extent, a summary of communities objectives; but it is not complemented by adequate work plans milestones, and clear distribution of responsibilities.

PRA tools for project identification have not been appropriately chosen to initiate a process of progressive ownership; they were more of an interactive survey type". This should be now corrected by developing a coherent participatory development set of tools.

These tools, if to be used by all community members, have to meet basic requirements, the first one being to use pictorial rather than script language wherever there is one or more illiterate community member. Similarly, financial monitoring system by communities themselves must be revised so as to allow for a minimum transparency.

The CHTDF /CARE participatory approach has to be reassessed and amended urgently, while communities are revising their plans before 2nd instalments and setting up their own community led projects monitoring system.

1.3 CE Effectiveness

This evaluation will assess the component achievements in line with the purpose as stated in the first logframe, which is two fold:

- « *A community empowerment process for self reliant development to support small scale projects at the Para level institutionalized* »
- *Communities are empowered to plan, manage and support self reliant small scale development activities ...* »

There are two sides to community empowerment, the community developing itself and the institutions assisting the community.

CE Institutional Issues

The Logframe did not provide any corresponding indicator; this aspect has not been included in the monitoring system, nor was it given priority in the implementation set up. In the new logframe the result has been spelt out as "responsive and capable institutions & leaders", but Phase II did only have this as implicitly expected result. The Community Outreach and Support Systems subcomponent under ICB has namely as objective that CHT institutions gain specific capacities to facilitate and support participatory, bottom-up, community-driven development. This subcomponent has since been transferred to the Community Empowerment component, and a formulation mission is under preparation.

Evaluation of the roles and performance of Union Parishads, Upazila government and HDCs can only be done partly before any concerted effort in that direction has been formulated or implemented.

Achievements are low

Due to the current situation of CHT institutions, management of community capacity building or micro grants could not take place within the existing institutions that have authority on and responsibility of local development, namely Hill District Councils. Their mandates are still to be clarified and accepted by all other authorities, and their operational and organisational capacities are below requirements of this project

One of the project's assumptions did not materialise before a long year of negotiations (*Timely GoB approval and endorsement of Programme documents*), thus other components did not have sufficient political back up to start effective implementation on key issues such as clarification of mandates (CB component) and capacity building (ICB)

Institutional capacity building, both ICB and at local and community level under CE, is due to start before June 06, and mandates clarification only if the context is conducive in the next phase. More priority needs to be allocated to HDCs and UPs whose capacity is critical to sustain the CE model.

So far institutionalisation took place through participation of various individuals from stakeholder institutions (UP and Upazila) in Facilitation Committees. This has in a soft way contributed to enhance the *“Developmental role of traditional and elected leadership”* which was proposed in the logframe as an activity.

Achievements are not uniform.

Union Parishad chairpersons and members, including female members, took part in Union Facilitation Committees (UnFCs). Many of these have learnt about development planning, although efficiency and ownership levels were still low. Some UP chairpersons stated that they approved project selection, without knowing particulars and without retaining any related document. For many UP chairpersons it is just one of the many committees they chair or attend. Others showed a great deal of interest and are now much more involved and informed about development issues in their area.

A similar situation prevails among UzST members. A wide range of situations exists in the Upazilas and individual offices, with varying levels of interest and technical ability, as well as presence and staffing. As a result some UzST are quite active, while others are actually non-existent.

Higher level coordination bodies were not functional and offices not directly involved yet. It appeared HDCs and RC were reasonably well informed but waited to play a more important implementation role.

Overall

Beside the fact that mandates are not clarified and the Prodoc was not signed yet by Government, the mission thinks that the project's approach was appropriate and the effect so far optimal. HDCs and UPs are weak as institutions and more importantly do not always have the same priorities and commitments as communities. In order that these institutions improve their outreach towards communities, the communities need to be empowered first. A larger role for HDCs and UPs in implementation of Phase II would not have led to the desired result, i.e. empowered communities, completed projects, and

a vision of what is possible. In the present set-up these institutions were informed, involved and asked for approval, thereby being pulled in gradually. They have become more accountable to communities than ever before, in a soft way. In some cases a “harder” involvement would have worked well, as some UPs were ready for the task already, but unfortunately the situation is not uniform in the CHT.

It is now time for the project to harden the involvement. The big challenge of the project is to adjust the process and style of implementation to what HDCs, Upazila governments and UPs can handle and continue. For that a second set of projects with more modest aims and means would be required.

Communities Empowerment

CE Effectiveness Evaluation methodology

Indicators in the Logframe were not appropriate to assess this purpose, and this was not included in the monitoring system so far. The evaluation team together with CHTDF district teams (NGO and UN staff) in Khagrachari & Bandarban created indicators to translate into practical and strategic terms the concept of empowerment; this was done on the basis of the Component guidelines (“ways and means for empowerment”) which are widely and systematically used to guide and monitor field activities.

District teams separately provided their own assessments of the situation on each of these indicators with remarkable similarities between the two teams.

The EC mission further conducted field visits in 27 Paras and held discussions with PDCs and larger community groups, including 4 women only groups.

The mission also held meetings with Union Facilitation committees, UzSTs, Line Agencies, Deputy Commissioners, HDCs, RC, NGO women, and with social and traditional leaders that availed a broader picture of the project context.

CE Assessment of Effectiveness

Field observations are coherent with most of the project staff assessments. See the table based on the earlier mentioned district-level exercises.

For a majority of communities, the change brought by the CHTDF intervention is very important, and is received very positively.

Due to selection processes, most of them had not benefited so far of donor or government support. Thus this was the first experience of collective planning and management of a common project. They have really planned, managed and supported small-scale activities that they had themselves identified and prioritised, with strong support from the project field staff. Villagers are positive about their role in the decision making, which is much more meaningful than they expected.

The level of self-reliance for managing community projects significantly varies between communities, depending on factors that are both internal and external.

External to the project intervention:

Remoteness / integration in mainstream society (with geographical and social aspects), literacy level, proficiency in the locally dominant language, history of displacements and other collective trauma.

And internal:

The process of PDC formation, project identification, planning has been very fast and sometimes inadequate to meet the needs of "unempowered" communities. The PRA methodology used isn't sufficiently oriented by a self-reliance objective. Many meetings were conducted with inputs from a limited number of villagers due to weakness of facilitation skills and lack of authority of the young facilitators in their home communities

Some projects faced the technical difficulties at the implementation phase, due to inadequate technical feasibility and profitability assessments. They rely now more intensively on external assistance to correct errors and do not feel really confident in their own capabilities.

All procedures for project management are based on assumed literacy skills, which are far from being equally distributed among and within communities; not only meetings minutes recording and bookkeeping, but even the PRA tools are script based and not icon based. (E.g. Venn diagram). This makes the project management procedure look very complicated and somehow alien for most communities' members, and, in the most vulnerable communities, for all members.

In some villages, PDC members declare that NGOs assistance will be needed at least 5 years; women declare it will be for them more than 8 years because of their lower time availability and socially built constraints on mobility and exposure to strangers.

During implementation, the CHTDF team strived for much more than the two above mentioned aspects of the logframe purpose. Some progress is already visible on the following points:

- Knowledge of and access to external support
- Skills & leadership generated
- Self confidence for continuing community led development
- Income is generated at Para level, although this is not sure for individual hh

The table below shows a rough estimate of achievements. The table is based on two one hour meetings, with the district staff (UNV and NGOs) of Bandarban and Khagrachari respectively. With the Bandarban meeting more time was spent on formulating indicators, with Khagrachari more time on progress against indicators. Progress was based on quick guesses and pertains to old and new Upazilas together.

Table 3 Quick and Dirty Evaluation: CE Result Indicators and Progress

	Immediate Objective /Indicator	Now	Khagra 2009	B'ban 2009
1.	Awareness & Knowledge			
	% PDC can identify problems & solutions	45-70%	60-90%	50%
	% of PDC members that can raise voice	55%	60-80%	70-75%
	% leaders that invite comments/listen	55%	35-60%	
	% of PDCs where women have equal influence	20-30%	35-60%	20-30%
	% of PDCs that know their rights	10-25%	40-50%	
	% of PDCs that know their responsibilities	20%	60-80%	
	% of PDCs that know their whole range of opportunities	50-60%	40-60%	
2.	Access			
	% of PDC knowing where to get money/support for own QIP	60-80%	90%	80-89%
	% of PDC that are able to get money/support	20%	40-60%	25-35%
3.	Skills & Leadership			
	% PDCs with unity and inclusive leadership	50-70%	70-80%	80%
	% PDCs with sufficient women with leadership skills	10-20%	20-50%	25-35%
	% PDCs that can manage accounts well alone	20-50%	50-60%	70%
	% PDCs that can manage PDC alone	50-60%	60-80%	80%
	% PDCs that can manage technical side of project alone	20-30%	60-80%	80%
4.	Confidence			
	% PDCs where quality of activities is sufficient	60-70%	80-95%	?
	% PDC starting new community initiatives	80%	100%	60%
	% PDCs investing money in new initiatives	3-10%	50-70%	60%
	% of PDCs starting new initiatives alone	?	50-70%	
5.	Income			
	% PDC having money to invest in new initiatives	20-30%	50-70%	50-60%
	% PDCs where individual households increased income	1-3%	50-95%	15-25%
	% PDCs where benefits are equitably distributed	?	50-95%	70-80%

Note: The results are neither an official assessment by project staff nor by the mission, but an indication of what it might be and an indication of the exercise that the project should do more thoroughly.

The project has failed to integrate gender equity and environment concerns in its design as well as in implementation and monitoring systems.

Presence in committees and gentle encouragement from facilitators is far from enough to produce equal empowerment

Thus effectiveness is quite lower than expected for at least half of the target group (women have less access and knowledge, less self-confidence, less leadership) but this could not be controlled, and no action is planned to address the problem.

Table 4 Gender Screening

Sector	Decision	Workload	Benefit	Remarks
Crops, Fruit	M	+F	M/f	field work women increases, men sell
Livestock	M/F	+F	M/f	
Fish	M	+M	M/f	new activity for men
Powertiller	M	-M	M/f	plowing is men's task
Husking M.	M	-F/+M	M/F	women's task of husking becomes men's task
Rice Bank	M or F	-	M or F	men and women start rice banks with different management and purpose
W&S	M	- F	F/m	women's water fetching task reduced
School	M	+M	M/f	men do construction, management

Notes: +F (or -F) means women's workload increases (or decreases). "M" means men benefit most, "m" means men benefit in lesser way.

CE Effect of Project Choice on Effectiveness, Impact and Sustainability

The project has necessarily an ambiguous attitude towards choice of type of activity and implementation. At the one hand it only facilitates and leaves such choices to the PDC, to be supported by mostly line agencies, at the other hand it should help the PDC to avoid project failures. As it has evolved, the QI projects have brought in a series of government- style sector projects, NGO-style watersupply and sanitation projects and private-sector mechanisation and electrification projects. Hardly any of the interventions was new to the district or Upazilas concerned, although some were new to the Unions and many were new to the Paras as a whole. In many Paras of Rangamati and Khagrachari better-off families could be found that had started already similar activities on an individual basis. The crucial difference with other interventions was the community management, which was imposed by the project to ensure that the community would empower itself as a community.

It is not up to the evaluation to assess the suitability of each type of activity for the purpose of the component. The following table shows the result of a quick and dirty exercise that incorporates the output of the exercise held with the UzST of Matiranga. As far as the mission could assess the results, these seem very reasonable, although it is not in a position to verify or elaborate the results. It shows that not all choices lead to quick impact or income increase, and that some activities are more susceptible to failure or make the PDC dependent on assistance and inputs from outside. The example of the generator chosen by Brisha Mohan Para in Panchari shows that the meeting was quite right in its assessment, but that a generator actually costs a PDC money, if no electricity is sold to neighbouring villages.

It is important that the project itself makes a thorough assessment of all aspects of the types of activities. This should include an assessment of management choices. The assessments in the management column, which is added by the mission to the Matiranga table is based on its information by various PDCs and resource persons.

Table 5 Activity Choice, Impact and Sustainability (Matiranga assessment)

Activity	No. in Khagrachari	Impact (months)	income prospects	risk of failure	Dependence expertise	Dependence inputs	Community management
Cow	121	36	+++	-	-	---	--
Goat		12	+++	-	-	--	--
Fish	40	12	+++	-	-	---	-
Ginger	62	12	++	--	-	-	-
Turmeric		12	++	--	-	-	-
Fruit		36-84	+	-	-	-	-
Banana		14	+	-	-	-	0
Power tiller	62	1	++	--	-	--	0
Pump		1	+	(--)	-	--	0
Husk machine		1 - 6	++	(--)	-	--	0
rice mill		1	++	--	-	--	0
generator	2	1	+	--	-	--	+
solar panel		6?	++	(-)	-	(-)	0
rice bank	20	6?	-/+	(-)	+	+	+
shop		6?	++	(--)	+	--	-
tubewell	68	½	(+)	+	+	-	+
gravity flow watersupply		3?	(+)	(--)	-	-	+
latrines		½	(+)	+	+	+	+
school	15	24	(+)	--	+	++	+
road	26	2	(+)	(-)	+	(-)	+
engine boat		1	+	(--)	-	++	0
local boat		1	+	(-)	+	(-)	0

Note: + means positive income, less risk, and low dependency. - means the opposite of +. Assessments in brackets are either indirect income benefits (e.g. health cost savings through tubewells) or difficult to assess by the UnFCs of Panchari, because there were no such activities in their area.

CE Conclusion on Component effectiveness

The project's achievements on institutionalisation are very limited yet. This represents a risk for sustainability and should be addressed as soon as possible in the next phase, provided that efforts are focused in priority on institutions directly concerned with community development.

Most communities have gained substantive experience in planning and managing small scale projects or are likely to do so in a near future. These capacities must be consolidated so as to ensure full ownership of the process.

The project must find ways to ensure:

- Access to appropriate technical resources,
- Access to markets and market information,
- Additional / alternative capacity building options for the most vulnerable groups

- Project management should also urgently revise and amend all procedures at component level and community level in order to eliminate gender biases in the repartition of the costs and benefits of the program.

CE Effectiveness Recommendations

Overall the mission recommends to fine-tune the process of community empowerment and to develop complementary actions to ensure access to and control over planning, management and evaluation, along the following lines:

- Identify most vulnerable communities and sub groups and allocate them more resources and time
- Increase literacy and numeracy through additional components where necessary
- Increase user-friendliness of planning and management tools (revise them with a genuinely participatory approach)
- Identify technical conditions of success for community projects per sector through activity type feasibility studies and environmental impact assessments and source out technical support to private sector where necessary
- Speed up resource mapping and best practices dissemination
- Take appropriate corrective actions where projects are at risk of failure to ensure that communities regain ownership and self confidence
- Speed up institutionalization of process and implementation

1.4 CE Impact

CE Progress towards Goal

To what extent the present achievements of the Community Empowerment component have contributed to make progress towards the goal:

The first logframe stated- *To give a firm grounding to the CHT Peace Accord through supporting the Government of Bangladesh and the institutions of the local communities of the CHT to pursue a sustainable socio-economic development...*

As per Project description - *To assist GoB and the institutions and local communities of CHT pursuing a socio-economic development and confidence building agenda based on the principles of self-reliance, decentralized development, and sustained peace.*

In view of the above, projects impact can be equated to: communities', institutions' and GoB's willingness and capability to pursue development. For the community empowerment component this is limited to communities, community-based institutions and community outreach by other institutions.

CE Logframe indicators

These are not appropriate and thus could not be used for assessment. They are stated herewith:

- Reduction in the level of political/ethnic tension in the region
- Targeted CHT institutions remain fully operational
- Number and extent of community development projects
- Number of community members and relevant personnel trained
- Frequency of meetings and formal interactions among the targeted CHT institutions and communities

Indicators in the second logframe are not better; they only reiterate the 4 components' purposes.

CE Assumptions in the logframe

This reflects the quality of the problem identification and other preparatory activities. The political situation, in particular *commitment of GoB towards socio-economic development and good governance in CHT*, has been thoroughly monitored by CHTDF management team and influenced, as far as projects stakes were concerned, through continued negotiation .

« *Timely GoB approval and endorsement of Program documents/funds* » proved to be the major threat against the project implementation but on this component its negative effect has been kept under control.

CE Evaluation at Community level by implicit indicators

The implicit indicator comes from the reading of the objective (See chapter 0.) and could read as "The percentage of supported PDCs that successfully implement and manage new development activities independently from CHTDF and NGOs"

Firstly, it has to be mentioned that:

- The project has not indicated how long it wants to work with each PDC
- The project has not indicated at which stage it considers it can withdraw
- The project has not withdrawn from any PDC yet
- It has transferred the maximum amount of money to less than 20 PDCs, and 95% to about 60 PDCs
- It has transferred first instalments to 640 PDCs

Under these circumstances the evaluation has to limit itself to possible impacts, on basis of results with the first 640 PDCs.

The following observations can be made:

- PDCs already started to initiate different kinds of socio-economic projects by themselves, some of them with only limited project monitoring support and advice
- At the end of the intervention it is likely that in most PDCs leadership will be stronger, more diversified, more democratic, more gender-balanced, more knowledgeable, more skilful
- It is difficult to assess how much these achievements will be limited to the executive committee or to men. Although others benefit at least indirectly, in some Paras a gap might develop between different sections, which ultimately affects impact and sustainability
- At the end of the intervention it is likely that most PDCs are willing to continue activities as a community
- At the end of the intervention it is likely that most PDCs will still have difficulty to realise support from government agencies
- At the end of the intervention, most PDCs will have more funds for community initiatives, and will be able to manage these funds.
- In many PDCs individual households will have benefited economically
- Nearly all PDCs will have more confidence in initiating development activities
- The impact will greatly vary among communities. The end result will be most satisfying in absolute terms in literate and accessible communities with earlier exposure to development programs and least in remote, illiterate and/or minority communities. However the relative change will be highest in those disadvantaged villages, which will certainly not be able to take development in their own hands from now on, but have nevertheless done their first or second step towards self-reliant development.

CE Impact at Institutional Community level by implicit indicators

The implicit indicator at institutional level might read as "the number of PDCs that draw adequate response, within the possibilities of concerned institution, from institutions that they approach for support."

At present the project has not worked systematically on institutionalisation yet. However, for the time of the project some government and people's representative offices will certainly respond more adequate to the so far supported PDCs, when these apply for aid. The proximity of the project and the continued support from project side for both communities and agencies will have a positive influence here.

1.5 CE Sustainability

This component was, and still is, designed with a 5 year timeframe, within which the coming 3 year phase should focus on support to communities and CHT institutions, not on disbursement and management of QI Funds. While sustainability is the major objective of the next phase, conditions already set in the first phase are determining factors.

CE Sustainability at community level

Sustainability at community level is an issue for the community's institutional achievements and for the development projects that they undertook and that often support their institutions financially.

- **Community action & Collective management**

Community action is probably sustainable for most PDCs, but collective management for some of the interventions probably not. Table 5 indicates already that collective management of livestock and agriculture is a problem area, as people normally do not do things this way. It is already being abandoned by few PDCs and others will follow in due time. This is in itself not a problem, as the community initiative was not about collective management in itself but about community action, learning to develop the community together. Care should be taken to assist villages who want to exit community management of new assets. The technical feasibility studies should assess possible exit strategies for each intervention.

- **PDC Operation**

Sustainability of community action, management skills and knowledge is an implicit assumption, but might prove not accurate. Skills are likely to disappear if they are not applied regularly. On basis of experiences from NGOs and projects elsewhere, it can be assumed that quite a few PDCs will not continue in the formal way, they have been operating under CHTDF. Many will likely go back to the semi-formal style of village management they applied before. In some cases groups of men or women will continue with the saving program, maybe supported by the present or by new NGOs. It is likely that if no separate womens groups are established or if no NGO guides the PDC, that the role of women will be reduced to pre-PDC levels.

- Access to financial support

The major asset will be a community fund with which the PDC can support new community initiatives and also individual initiatives through loans. PDCs closer to district head quarters might access bank loans in due time. The chance that any project passes by in the near or mid-term future with similar levels of assistance is slim, but CHTDF itself might still support the communities at a higher level through its region-wide initiatives. For that purpose PDCs should associate and federate, which seems already to happen through natural process in some locations.

- Risks of failure, input dependency and technical support dependency

Table 5 shows that most interventions have some degree of risk of failure and also make the community dependent on external support and inputs. The technical feasibility and environmental impact studies should assess how dependency and failure risk can be minimised through improvement of site selection, technology, approach and management.

- Access to technical support

Continued support from line agencies after project's end should not be assumed. The line agencies are under-equipped, under-staffed and under-funded, and after one or two transfers of the staffs that a particular PDC know, the links will easily be broken. That is not to say that cooperation will discontinue in each and every PDC, but it will concern a small minority. PDCs should work on linkages with the private sector and arrange their own expertise.

- Equity

Where communities get exposed to the outside world, diversification in resources, access and skills will occur and equity will become an issue. The project is not in a position to take corrective measures or even monitor the situation. Social issues like these and the likelihood of them occurring should be part of the intervention-wise feasibility studies, which will allow the project to adjust the approach and choice of intervention.

CE Sustainability at project level

Sustainability of impacts will be found much more at community level than at institutional level. Nobody expects that after CHTDF any government agency or NGO can carry on development activities on this scale, investing such large amounts of time and money per Para and with such a large support structure. It is also not imaginable that a government agency can adopt the style and process of development. It is however possible that local NGOs will at a smaller scale continue similar activities, albeit with different styles and donors.

HDCs are supposed to take over management of the CE component, but have not been very much involved so far. The project intended to have next batches of PDCs under an HDC-managed CE-program on a pilot base, with focused efforts on their strategic, logistic and human capacities. However, the EC-UNDP Phase III does not have sufficient funds available for adding such PDCs. By necessity the project might have to

work first on institutional strengthening and then wait for other donors to support a next batch of PDCs under HDC.

Other institutions are also mandated to support socio-economic development: their potentially positive or negative action on this component at short and long term should be studied and action taken accordingly.

Exit Strategy of Community Empowerment

If the component is allowed to run its full course in the area, it might be around for a long time, as some of the disadvantaged PDCs would need a long time before they can really manage their own development, while there are 3000 other Paras to be covered, if people in Pourashavas also should not be included some day. And while the project is still in the area, the other old PDCs will still be able to benefit from advice and support here and there.

Normally such "ideal" scenarios are quite unlikely to happen, mostly because of donor fickleness, but it might also be due to a changing political situation in the CHT or Bangladesh as a whole, or due to changing (ideas about) needs of the CHT and its people.

At present the project horizon is September 2009, and the component and its beneficiaries should be ready for a possible component withdrawal by that time. For that purpose the project should with each PDC and institution indicate how and when cooperation will stop, and how any continuation of support, if still required, would be arranged. Such exit strategies normally change over time, as new opportunities emerge and old ones fade. The most critical parts are the continued management and funding of development at district and Upazila level, for which arrangements need to be made early through institutional capacity building. The project is perfectly placed and equipped to work out alternative exit strategies with its local partners.

1.6 CE in Phase III

CHTDF and EC have committed themselves to 1650 PDCs by engaging these PDCs and hiring NGOs for the purpose. The project has become responsible for bringing the cooperation between PDC and project to a good end, ensuring quality and sustainability of the interventions. The project is advised not to increase the number of PDCs before success of the first batch of 1650 is proven. Starting new PDCs would also deny scarce resources to other CHTDF components, which are about to start.

CE Logframe, Work plan and Budget

The logframe has been elaborated down to results level. As most of the activities planned have already been implemented, the activities part was temporarily skipped in the process, but the project has been requested to elaborate the new activities with one-line descriptions.

The workplan and budget are much in line with the logframe and the evaluation mission's recommendations. The total cost is estimated at \$ 10.5 million. The mission has still few remarks:

- Only for items costing money are quantified. Quantifying targets and allocating of numbers for all activities to quarters and years have still to be done.
- The project should still elaborate CARE's task in Phase III to substantiate the reduction in cost.

- No budget has been allocated for the activity-wise in-depth (feasibility) studies. It concerns 41 different activities (which can be only partly condensed to a lower number) and will require hiring at least 20 person-months worth of consultants. This needs to be done before the last batches of PDCs make activity choices, as not having the studies done, might result in more PDCs not making the optimal choices and following the optimal approach. This might add \$100,000 to the budget. It is proposed to do this before Phase II starts, but in view of the project's capability constraints, it is advisable to make also a full allocation for Phase III.
- In view of the expected slow-down of implementation to accommodate measures for quality increase (training on real PRA, participatory monitoring, vulnerable group and gender aspects), the completion of second instalments by 2008, though desirable, seems optimistic
- Community-based institutional capacity building should be more elaborated once the concerned mission has completed formulation and planning
- The component will be implemented by the present team with addition of some extra UNVs and program officers. In case this same team is supposed to support other components, too, the staff number should be increased, with due consequences for the budget.

The CE component will have spent by end of Phase II a probable \$7 million including QIF, staffing, logistics and subcontracts, which added to Phase III's 10.5 million, would make a total of \$17.5 million. \$17.5 million for 1650 PDCs seems quite comparable to the total of \$29.5 million allocated in the Prodoc for a program covering 2400 PDCs. All-in expenditure per PDC is about \$10,000, which is per household about \$250.

The mission recommends inclusion of the full budget, i.e. \$10.5 plus additions for feasibility study consultants, and, if inclusion is found necessary, CARE cooperation increase, and extra staff to cope with other components. A total of \$ 11,000,000 (€ 8.9 million) is advised.

PART B : Evaluation of Component Proposals

5 Introduction

The "non-community empowerment" components Institutional Capacity Building(ICB), Region Wide Initiatives (RWI) and Confidence Building (CB) have all only started at a very small scale. The components and sub-components should be considered to be still in various stages of preparation, with some just started as pilot, some having a component document, others being under formulation, while for others ToRs have been prepared.

Table 6 Status of Planning and Implementation by Component

#	Component	Status	Progress
#1	ICB	Proposal Mar'06	start early'06
#2	Region-wide Initiatives		
	Economic Opportunities	Proposal Oct'05	start mid'06?
	Environment & disaster management	ToR	start 2007?
	Health	Pilot ongoing	start 2006?
	Education	ToR	start 2006?
#3	Community Empowerment		
	Community Empowerment	25% progress	ongoing
	Community outreach and support	ToR	mid 2006?
#4	Confidence Building (CB)		
	Dialogue and partnerships	started modestly	2004
	Exchange visits	started modestly	2005
	Awards & incentives	ToR	2004
	Natural resource management	ToR Apr'05	unpredictable
	Police	ToR	mid 2006?
	Elections	unpredictable	unpredictable
	RR/IDP/ExC	ToR	unpredictable
	Minority rights and culture	Proposal Oct'05	start 2006?

In view of the status of most components, the mission decided to evaluate these components not as implemented projects, but as proposals, using the EC evaluation grid for proposals, which is attached as Annex 2. As the components have not been formulated with that rigorous set of questions in mind, no scoring was applied and reasonable leniency was maintained.

The mission has struggled evaluating these proposals as the project insisted they should be included in the next phase funding, while most of them did not have a proposal text or budget, and none of them had a logframe or planning barchart. The mission decided to evaluate the proposals as they were half-way the mission and to ask the project as yet for logframes, work plans and budgets, on basis of which final decisions could be made before the end of the mission. The mission initiated the exercises and provided formats for these. The evaluations of each component are thus split in two, the evaluation of proposals as they were (chapters 6, 7 and 8), and then in the Phase II formulation chapter (chapter 12.2) evaluation of the logframes, plans and budgets that became available only in the last three days of the mission plus a final recommendation on inclusion in Phase III. The mission realises that this does not contribute to clarity, but was forced to do this because of late submission of important proposal details. The alternative was to rewrite the chapters 6, 7 and 8 after the mission ended.

6 Institutional Capacity Building

6.1 ICB Sources of Information

The mission used for its assessment, the Program Document, ICB ToR, progress reports, the preliminary unofficial draft of the ICB mission (to be completed end March 2006) and one briefing-cum-logframe session with key CHTDF-Dhaka staff. Field

observations and interviews with key stakeholders in the area provided additional background.

6.2 ICB Brief Description

The project will build capacity and facilitate change processes in six key CHT institutions ((MCHTA, Regional Council, 3 Hill District Councils and CHT Development Board) towards 1. strategic and efficient and functioning, and 2. accountability and transparency.

The component will organise workshops, study tours and a high-level task force which are all geared to solve one crucial bottleneck in development in the area, namely to clarify mandates and roles of CHTIs. It further will strengthen these institutions through self-assessment toolkits, trainings and technical support. Lastly it will support the institutions in establishing and training planning cells, documentation centers and research and policy development cells.

6.3 ICB Financial and Operational Capacity

Other donor agencies and projects recognise that the subject is best dealt with by CHTDF, because of its mandate, its existing position in the CHT and the expertise of UNDP in local governance. The project will have to build up enough relevant in-house expertise to deal with all aspects, but it should be able to draw on expertise and experiences of the EC-supported UNDP-implemented local governance project in Serajanj.

6.4 ICB Relevance

Clarifying the confusion and ambiguity related to mandates and roles among the six chosen key CHT-institutions, and making these CHT institutions fully functional is essential for them to contribute effectively to confidence building and development. The ongoing ICB component formulation mission has involved all stakeholders in extensive evaluation and formulation sessions.

The focus on these six institutions leaves out addressing institutional issues with regard to the Deputy Commissioner, Upazila Nirbahi Officer, Union Parishad and traditional leaders, and their relations with the six chosen ones. It would be advisable to formulate a time frame for this, although it will come afterwards.

6.5 ICB Methodology

The intended rounds of consultation, interaction, exposure, mandate clarification, training and technical support appear the only appropriate and practical way to deal with the problems. In fact this process has already been ongoing low-key since the project's inception. The six CHTI have agreed with the process and intentions of the activity. Nevertheless, success can not be guaranteed. The government's political will to solve the said problems is all-important, and at present not always evident. Therefore, straightforward planning and the prediction of outcomes will be difficult. A phased approach with a reasonable amount of flexibility will be required. The action plan and logframe, especially its indicators, will need to be reviewed each year.

6.6 ICB Sustainability

If the aim can be achieved, the impact will be beneficial for the institutions themselves, but more so for the CHT people, as it is important that the CHT institutions start to work together and become responsive to the people's needs. Institutional and policy level sustainability should normally be high, although political changes that affect sustainability in future can not be excluded.

Financial sustainability of the various centres and units that the project aims to help establish is not guaranteed. Even for plains districts that receive more political, staffing and financial support from the government, sustaining such units is difficult.

6.7 ICB Budget and Cost-effectiveness

The component is still under preparation and final details need still to be provided. Data from the February early draft text, if reassembled, would result in the following budget. As can be expected for institutional development aimed at clarifying mandates while using activities and support from other components, the budget is heavy on personnel and light on activities (miscellaneous). The high costs for equipment result from the aim to provide institutions with logistical support during the project period.

Table 7 Three-Year Budget (ICB draft, Feb'06)

Item	#1 Strategy	#2 ISA	#3 HRD	#4 Logistic	#5 Operation	Total
Personnel:	-	183,300	49,450	65,250	460,830	758,830
Contracts:	-	-	-	-	-	-
Training:	-	-	-	-	-	-
Equipment:	-	-	-	500,000	98,600	598,600
Miscellaneous:	21,960	-	-	-	40,500	62,460
Micro-capital grants:	-	-	-	-	-	-
Total	21,960	183,300	49,450	565,250	599,930	1,419,890

6.8 ICB Conclusions and Recommendations

The Initial Proposal

The mission assesses this component as important and sufficiently elaborated and focused for inclusion in EC-UNDP cooperation, although many details are still to follow from the ongoing formulation mission. It proposes the component to focus on activities required to clarify the institutional mandates and those that strengthen the institutions for effectively implementing their clarified mandates. Increases of staff should come through government channels, but the project can assist quality improvement through self-assessments and training. Expectations should remain modest, because the government's modest means and the frequent transfers of officials.

Logframe, Work plan and Budget March 2006

A logframe, workplan and budget were initiated by the mission mid February. The project finalised them and submitted them in the last week.

The budget is much in line with the logframe and the draft ICB formulation document. The total cost for Phase III is estimated at \$ 1.5 million. This is comparable with the \$1.2 million reserved for the relevant budget items (ICB 1.1 to 1.4) in the Prodoc. The component will run for two years and be staffed by one coordinator, one international consultant, support staff and some short-term consultants.

The program looks optimistic for the two-year timeframe, but with the extra Phase III year (2008-2009) in hand, there should be no problems with completion in Phase III. The following is still needed:

- The component still has to make a work plan, showing quantities per planning period, with quarterly targets for the first Phase III year.
- The project still has to rearrange its budget items, now lumped together under one budget heading, properly among headings 1 to 6

The mission recommends full inclusion of this component at \$1.5million.

7 Region-Wide Initiatives

7.1 Economic Opportunities

Sources of Information

The mission used for its assessment, the Prodoc, EO ToR, progress reports, the final draft component proposal (Dec 2005) and one briefing-cum-logframe session with key CHTDF-Dhaka staff. Field observations and some interviews with key stakeholders in the area provided additional background.

Economic Opportunities Brief Description

Youth Employment & Entrepreneurship

In order to reduce the high levels of young unemployment, the sub-component seeks to assist them in exploring employment and self-employment through market study, (access to) training and organising them in Youth Entrepreneur Corps

Marketing Infrastructure & Systems

So that villagers can market their produce in higher volumes and at higher prices the sub-component seeks to assist villagers with construction of strategically chosen collection points and roads and to organise the producers for management and marketing. It further aims to train producers in product improvement and processing.

Private Sector Development

The sub-component intends to increase the number of entrepreneurs, the number of partnerships between CHT and the rest of Bangladesh and the level of external investment in the CHT by developing specific products and their markets, organising producers, establishing business promotion centres for CHT in Dhaka and Chittagong, and facilitate access to loans.

Community-based Tourism

The sub-component intends to develop tourism packages, one along Kaptai Lake and one in the Bandarban hills, which will link community-level tourist entrepreneur associations with national tourism entrepreneurs. The actors will be supported through appropriate training, establishment of district-level tourist centres, and a guided process of self-monitoring, improvement and planning for replication.

Table 8 Organisations involved

	Organisation	Activity
Applicant	CHTDF	management, technical support
Partner 1	Local NGOs	mobilization, community cap. bldg
Partner 2	LGED/WFP	road construction
Partner 3	Line departments	training, support
Sub-contractor 4	Tourism IO	support tourism ass. & local NGOs
Sub-contractor 5	Contractors	construction coll. pts, roads
Sub-contractor 6	Engineering firms	design, supervision

Economic Opportunities Financial and Operational Capacity

CHTDF has at present no expertise in youth employment, marketing, private sector development or community-based tourism. The partners for infrastructure development (LGED, engineering firms, contractors) have infrastructure expertise, although this needs to be adjusted to the unique environment and local needs of the CHT. For community-based tourism an IO is proposed with sufficient expertise. The other required expertise is proposed to come from national consultants.

The project proposes a core facility to manage the various sub-components. The project still has to outline how overall coordination will work.

Economic Opportunities Relevance

The proposal is relevant to the project's objective of economic development, while it also indirectly contributes to its other objective of confidence building.

Tackling youth unemployment, poor marketing and lack of investment addresses important constraints to peace, confidence and development in the area. There are no other EC initiatives in this field within the CHT. There is however some concern about overlap with a similar ADB-supported project, CHRDP, which also intends to build infrastructure supportive of economic development. The two projects communicate with each other, but have no plans yet for cooperation.

Intermediaries, final beneficiaries and target groups are reasonably well defined for three out of four sub-components. The target group description for the fourth, the private sector development sub-component, clearly requires more elaboration, as the set of activities seem to target more the better-educated, more society-integrated entrepreneurs and producers than the women, "indigenous tribes" and PDCs it states as target groups. In absence of a clear strategy and step-by-step methodology (see next chapter), such ambiguity should be removed.

Table 9 Economic Opportunities Target Groups

Sub-component	Primary	Secondary
Youth employment	Youth of 18-25 years old	training providers, private sector
Marketing	rural producers, especially women, vulnerable groups, youth, weavers, traders	assemblers, agents, wholesalers, consumers
Private sector	producers & entrepreneurs, esp. women, youth, indigenous tribes, PDCs	associations, chambers, financial institutions, investors, (entrepreneurs outside CHT)
Tourism	communities living close to potential tourism destinations, focusing on the poor, youth, minorities, women	lodge owners, (tourism operators) , tourists

Target group needs have not always been taken as a basis.

Youth employment

The sub-component is based on the youth's need for employment, skills and access as perceived during the ADB-supported regional plan exercise (2000-2001). The formulation document does not show whether and how during formulation youth has been consulted and with what result.

Marketing

Infrastructure, organisation and processing are answers to marketing problems as perceived for rural producers. Once more the regional plan document has been used as basis. The component proposal does not refer to consultations with the numerous PDCs that were already developing marketing needs during component formulation time or to possible needs of these PDCs.

Private sector development

The intended activities take place at a level slightly above the stated target group and needs appear not to be properly analysed. The sub-component appears opportunity/supply-driven. Although it is probable that the stated target group will ultimately benefit, a clearer analysis of target groups, their needs and their ideas is required to increase focus, to enhance efficiency of the intervention and to avoid of negative side-effects.

Tourism

Income is analysed as a need and tourism as an opportunity. Tourism falls however outside the range of opportunities that Paras would normally consider, and has to be introduced from outside, which bears risks where communities have never before undertaken and managed even general development initiatives together. Furthermore, social acceptability of tourism is not sure in the CHT context, where indigenous communities have faced so far mostly problems, and sometimes major ones, in encounters with outsiders. Community leaders are not confident in the positive realisation of the community-based concept. The subcomponent has to be formulated cautiously under coordination and ownership of concerned leaders and communities to ensure social and political acceptability. This has to be incorporated in any proposal.

The sub-components provide ample scope for added value. None of the activities has been implemented at this scale in the CHT, while community-based tourism is even new for the country as a whole. Results will be important building blocks for a CHT development model.

Economic Opportunities Methodology

Methodology, Overall

The overall coherence has been affected by the fact that the design has been based on a mix of key issues (youth unemployment), needs (marketing) and opportunities (investment and tourism). This led to one sub-component being based on a specific target group(youth), one on a specific problem at village level (marketing), one on a specific sub-sector (tourism) and one on a higher level opportunity (investment, partnership), but under a name that actually covers all the sub-components: private sector development. Further, the separate sub-component proposals have clearly been formulated parallel to each other, seemingly without much interaction or integration. The proposal does further not have any general, introductory or concluding chapter that shows how these subcomponents relate to each other.

Table 10 Slices of Private Sector Development

Target Groups	Sectors	Business aspect
Youth (unspecified)	Agribusiness	Product development
Producers (literate, accessible)	Services	quality control
Producers (illiterate, remote)	Tourism	local marketing
Women (unspecified)	Handicrafts	regional marketing
SMEs	Energy	skill training
Traders		Finance
Outsider traders		Partnerships
Investors		

It is obvious that the chosen sub-component themes are relevant in themselves, but the internal coherence of the overall component would be enhanced if they would be integrated under one overall objective and approach.

Further, the whole component should be based on CHTDF’s present strength and expertise, i.e. Community Empowerment. The logic of the project has been that communities need to be empowered first. So, the project first should target producers, youth and women of presently “empowered” Paras. And ideally, the project should address first the employment, marketing and other economic issues and opportunities generated by CE. This would have few advantages:

- As the target group is not different from that of CE, villagers need to be mobilised, empowered, and trained on basic issues. Many of the present PDCs under CE do not need such a 1-year process anymore, contrary to new areas, and will be ready for the next stage of development, i.e. that above para-level
- Empowerment is even more important where communities and individuals have to deal with outsiders. The project’s prime target group, poor communities, are in most cases not yet ready for dealing effectively with entrepreneurs from outside the CHT and require first more organisational strengthening, training and experience through pilots and practice.

- Many CE PDCs will have produce to be marketed and will be highly motivated for marketing improvement. The project can base its work on their demand.
- Recent introduction under CE of new productive development activities, new machinery, and new technology is creating already a demand for new skills and jobs. As was obvious from field visits, it is the young people who are the logical choice for such new opportunities.
- Also for tourism development, the villages will highly benefit from a process of empowerment and community action before proceeding to a level that requires interaction with actors at district, regional and national level. It should be reminded that villagers in the CHT have far less interaction with the outside world than the villages in Nepal on which the proposed model is said to be based. Community-based tourism in Nepal is undertaken in villages where men worked abroad since very long times, where most villagers speak the national language, where many women have travelled far beyond their village and where most are already used to foreign tourists, lodges and tour operators. Moreover the ethnic, cultural and language gap between national and local actors is by far not as large as in most areas of the CHT.

Methodology, Sub-components

The sub-components also individually require further elaboration of general approach and step-by-step programs. Some examples:

- E.g. for youth employment, it should be elaborated where to go to find the target group and how to select participants. It has been suggested during meetings to start by first consulting PDCs, but this has not been mentioned in the document, which seems to focus (its pilot) on Upazilas, nearby markets and nearest district towns.
- For marketing, the link with present Community Empowerment activities at PDC level has been clearly mentioned, but PDCs seem not to have been consulted on the approach. Interventions like collection points and roads have been presumed, while these depend very much on what the producers groups need and will decide. It is of utmost importance that groups are formed and empowered before any decision is taken on infrastructure. It is also proposed that the groups manage the design and construction process themselves, in stead of this being done by LGED.
- For private sector development, it is not clear at which level, at which geographic location, and with which people, the interventions like product development, enterprise development and partnership development will take place.

Economic Opportunities Sustainability

Private sector development achievements have normally good chances of being sustainable, unless they have not proven to be profitable. To ensure sustainability, a principle should be that the institution that is meant to manage and sustain a specific activity or asset, should own the whole development process from the start, make all key decisions and be in charge of implementation.

Sustainability, Youth employment

This component should normally have tangible and sustainable impacts with local youth being profitably employed or self-employed and most being able to continue. The project further proposes additionally adjustments of training curricula of existing institutes and a Youth Entrepreneurs Corps (YEC), which should continue what the project has started. The first will be only sustainable if accepted by the concerned institutes at national level, which is often only possible if a project is mandated for institutional support at national level. As the YEC is a very new concept, at least for the CHT, it is difficult to assess its feasibility or sustainability. It is not possible for the project to develop this concept further at this stage of preparation and a process approach is clearly needed. The one element that clearly is not sustainable is the matching grants (YEF) being administered by a project-paid YEF manager. The project should explore alternative arrangements that can increase the sustainability of this concept, e.g. preparing the YEC or CHT NGO for that purpose over a number of years.

Sustainability, Marketing

Most of this sub-component seems ultimately beneficial and sustainable. However, a cost-benefit and local O&M capabilities analysis of collection points, roads and other marketing infrastructure is required to assess whether this infrastructure will likely be used and maintained or not. Government-constructed community infrastructure, e.g. community centres, are normally not maintained and become dysfunctional because of a lack of funds and organisation. The possible commercial benefit of the proposed infrastructure however might in theory raise the chances of O&M to some degree. The used construction technology should also be adjusted to local O&M capabilities. The fact that the infrastructure is proposed to be built by contractors under LGED however limits the possibilities for adjustment as LGED normally has to use standard designs, which are often not adjusted to local O&M capabilities. It might be considered that marketing and management groups plan, design and implement the activities and commit themselves to maintenance.

Sustainability, Private sector development

Private sector development, if profitable for the partners involved, normally provides the best chance for sustainability. The supporting concepts of business promotion centres, strengthening of Chambers of Commerce, producers associations and linkages with financial institutions all need more detailed elaboration for an impact and sustainability analysis. The products chosen for further development and marketing also need to be screened thoroughly on sustainability issues like technical feasibility per geographic area, maintenance, economical benefits per stakeholder, and environmental aspects.

Sustainability, Tourism

As said for general private sector development, the results of tourism development, if profitable, should normally be quite sustainable. Its sustainability however depends much on its success to address worries about social acceptability, profit-sharing with outsiders and local management capabilities.

Economic Opportunities Budget and Cost-effectiveness

The budget will be mostly spent on staffing and training. Infrastructure cost is proposed to be borne by the QIF under CE. Coordination with CE about this aspect is highly required. In view of that component's budget and implementation limitations (see

concerned chapters), it might be worth to coordinate with the better-funded ADB-supported CHTRDP on this matter.

The project has proposed further one YEF manager, one training coordinator, 2 national consultants, four National UNVs, 72 person-months short-term national consultants, an unspecified amount of international consultant person-months, one local NGO and one international organisation specialised in tourism.

Table 11 Three-Year Budget (derived from component proposal, 2005)

Item	Total	Youth	Market	Enterprise	Tourism	Core Fac
Personnel:	1,334,500	112,500	207,500	250,000	343,500	421,000
Contracts:	514,500	64,500	213,500	76,000	145,500	15,000
Training:	1,040,500	427,500	181,500	290,000	141,500	-
Equipment:	422,500	59,500	80,500	2,000	85,500	195,000
Miscellaneous:	85,000	-	-	20,000	54,000	11,000
Micro-capital grants:	281,000	40,000	-	11,000	230,000	-
Total	3,678,000	704,000	683,000	649,000	1,000,000	642,000

The project submitted a 3 year proposal on the last day of the mission, which reshuffles the initial budget (see Table 11) considerably. The budget is for two-and-a-half year and \$1.6 million. It is attached as Annex ..

Economic Opportunities Conclusions and Recommendations

Final draft component formulation document

These conclusions are based only on the final draft component formulation document.

The final draft is clearly the result of a mission with many different members, who have written parallel subdocuments, without a general chapter that relates the subdocuments to each other and to their overall purpose. This clearly affects coherence. However, because this subcomponent is very important to complement the CE component, this should not be a reason to postpone or exclude the component. The component can still be improved before actual activities will start. The mission assesses that under the present circumstances the project would not be able to do this timely before the start of Phase III. The most obvious solution is to grant the component a three-month inception period done with all the component staff and an extra experienced international consultant. That inception period will be used to check all the assumptions and ideas of the document against the needs and ideas of the target group and other stakeholders, and generate ownership for the component among beneficiaries and relevant stakeholder institutions. The result, an inception report, will provide the adjusted component document, detailed work plan and budget.

It is further proposed that a phased approach is applied with an initial focus on PDCs, working on cooperation at supra-PDC or Union level and on upward linkages to opportunities and actors at Union and Upazila level, with an ultimate introduction of interventions that require empowerment and strong organisations at again higher levels.

Table 12 Phased Economic Development

	2006-2009	2009 – 2012
Youth employment	-Baseline, -PDC youth & skills need assessment/market study, -Skills training, -Apprenticeships, -SHG/YE groups, -CHTDF coaching and monitoring	-YEF/grant scheme, -YEC continues YE programme with minimal support, -YEC coaching and monitoring
Marketing	-Identification target Unions/PDCs, -PDC/producers associations/SHGs, -Marketing practice training & pilots, -Marketing info system, -Infrastructure development	-Review, expansion and replication
Private sector devt.	-Product feasibility studies -Development of packages	-Business Promo Center, -Ch. of Commerce strengthening, -Producers Associations, -Linkage to financial institutions
Tourism	-Community empowerment at prospective tourism sites, -Development of tourism packages	-Pilot activities, -District-level tourism centres, -Tourist Entrepreneurs Associations, -Private sector actors training, -Review, adaptation and replication

With delayed requirements of funds for youth employment-related grants and YEF manager (from 2009), marketing collection points (2007), most private sector development-related consultancies, trainings, ToT, seminars, and subcontracting (2009) and tourism-related centres, associations, training, and replication (2009), this revision will probably lead to a halving of the budget.

Economic Opportunities Logframes, Work plans and Budgets

A logframe, workplan and budget were initiated by the mission mid February. The project finalised them and submitted them in the last week. The mission has the following remarks:

- The logframe is not in line with the discussions held between project and mission. The mission thinks that as yet all items that can not take place in Phase III, because either the villagers or the project will not be sufficiently ready for the purpose, should be put in between brackets. This will indicate to the future evaluators that these activities were not expected during Phase III, while allowing the project to keep the longer-term purpose, results and activities in view, and to have the ability to start them as yet within Phase III, if progress is above expectations, budget is available and a mid-term evaluation agrees to their inclusion as yet.
- The budget includes all the items for 2006-2009 that the mission strongly advised to postpone till a next phase, notably larger scale activities related to cooperation

between villagers and CHT outsiders, for which first a lot of homework will need to be done both at project and village level. When omitting these items as yet, the budget will be reduced by 25%.

- The budget covers only years 2006 to 2008. As the economic opportunities program is supposed to last at least five years (see EO document), the year 2009 must have been accidentally omitted, leaving only 2.5 years for preparation, implementation and phasing out. This is too short for meaningful implementation and should be as yet corrected. A short calculation showed such a correction might increase the present budget by 25%
- The budget does not indicate any quantity or unit cost for activities. Although this is not possible to do with full certainty at this stage, it is possible to make estimates on basis of quantities and unit rates. This needs to be done as yet and will lead to corrections on activity line item costs.
- The budget plans a full-blown start from July 2006 onwards, while the document still needs a complete revision and the whole component needs to be put on its feet with numerous staff and office facilities. The component should get time to get established and work out in detail its approach and prepare guidelines and detailed work plans with its intended beneficiaries and other local stakeholders. This process will have elements of the process that CE went through before it took off, but should be more planned and shorter in duration. The component therefore requires an inception period for this purpose in which all assumptions and activities will be checked and studied by the implementation team, resulting in an inception report that outlines the detailed workplan.

The inception period should result in an inception report that:

- Replaces the present document with one private sector development component document with elaborated subchapters on youth employment, marketing and community-based tourism
- Elaborates beneficiary ownership by elaborating which target group will be reached in which way and who of the target group and stakeholder institutions will decide and do what.
- Increases coherence by elaborating how EO/PSD will start with empowered communities (CHTDF PDCs) and PDC youth and opportunities generated by CE, and how it will work on organising higher level platforms for PDCs, women groups and youth
- Elaborates how to take market improvement steps only where PDCs and higher-level platforms (federations, associations) are present and can own the intervention
- Elaborates in the meanwhile which product and job markets and potential products will be assessed and developed, and how, for activities in the later stages of Phase III or the next Phase
- Elaborates how links for village products and skills will be developed with the outside world once the producers are empowered, trained and organised at sufficiently high levels (up to Union, Upazila). This might take for most groups some years
- Elaborates whether, when and how to start a youth employment fund and through which institution, i.e. one that is intended to sustain this fund after 2009. If YEC is supposed to do this, YEC should be prepared for this and be

- responsible from the start. This will also take maybe few years. If none suitable can be found, the idea must be rethought or abandoned.
- Adds a detailed work plan and bar chart to indicate the phasing of each activity within the project subcomponent. A good planning exercise will allow the project to sort out responsibilities, workloads, job descriptions and terms of reference for project staff and consultants.

Conclusion

The mission concludes that this component, though not yet elaborated to satisfaction at the time of the mission, should be included in Phase III. An inception period will be needed for the first six months for consultation, beneficiary mobilisation and organisation, and detailed participatory planning. The budget will be \$1.6 million (Euro 1.25 million).

7.2 Environment & Disaster Management

E&DM Sources of Information

The mission used for its assessment, the Prodoc, the E&DM ToR, and a briefing-cum-logframe session with key CHTDF-Dhaka staff. The CHARM financing proposal (EC format), field observations and interviews with key stakeholders in the area provided additional background. The mission had previous knowledge of the ADB regional Plan environmental assessment report and the SEMP project, but was not in a position to study these in detail. It only got to know that the SEMP project was to be extended with five years just before mission end.

E&DM Brief Description

Although not yet specified, the assumption is that this component should be implemented directly through CHTDF in close collaboration with RC and HDCs.

The project intends to address the CHT's environmental problems, which are at the heart of solving long-standing development problems. It moreover intends to address institutional weaknesses in response to natural and man-made disasters like cyclones, floods, local conflicts and famine.

The sub-component thus has two objectives, i.e.

1. Enhancing local capacity for environmental protection & management, and
2. Enhancing local capacity for disaster management.

The proposed activities consist of detailed assessments, formulation of an environmental management plan and disaster response and management plan, establishing a Regional Council disaster unit and fund, and pilots for implementation of both plans in up to six Upazilas

E&DM Financial and Operational Capacity

The UNDP has implemented SEMP in the CHT, which has reportedly not been able to achieve its objectives due to lack of focus and due to fund constraints. The present project itself has not yet sufficient environmental and disaster management technical expertise or management capacity in house. For disaster management it is possible to

involve more experienced institutions like Bangladesh Disaster Preparedness Centre (BDPC).

E&DM Relevance

Environmental issues are at the core of development and confidence building in the CHT. The main issues at village level are however foremost related to land and peace accord implementation, which can not be addressed by this component. It is however possible to address some of the problems within the constraints of the problematic land situation.

The sub-component has not been developed yet sufficiently to assess the level of target-group definition, need definition and participation and added value.

Most importantly, when assessing relevance, the mission observes a level of duplication with a) the EC-supported proposed Chittagong Hill Tracts Improved Natural Resources Management (CHARM), b) the past Environmental Study under the ADB-supported Regional Plan, and c) the already mentioned UNDP-implemented SEMP. These three exercises do not fully cover the presently proposed activities, but the parts not covered by these three do not form in themselves sufficient basis for a full sub-component on environment. The mission does not see sufficient reason for yet another, though maybe slightly different, regional level environmental assessment, and does not expect that environmental management interventions and advice will sufficiently differ or be better from those to result from CHARM and SEMP.

Not unimportant is further that in the rest of Bangladesh disaster response and management is dealt with by the DC-UNO-Union chain, which is well-placed for it because of their direct links to relevant national ministries and the police. The RC and HDCs will have obvious limitations in dealing with the subject, and will be ineffectual unless and until they have a similar relation to relevant ministries and police as the DC and UNO have at present.

E&DM Methodology

The global description of intended activities is consistent with objectives and expected results, but the sub-component needs further elaboration to assess design coherence, partner involvement, participation, and action plan feasibility.

E&DM Sustainability

The sub-component would need further elaboration to assess possible impacts, multiplier effects and sustainability. A disaster fund is already proposed at the RC, but until the RC is better staffed and equipped (which is dependent on results from the ICB component), the RC might not be able to administer this fund effectively.

E&DM Budget and Cost-effectiveness

The sub-component would need further elaboration to assess these aspects. No cost estimate or budget has been provided.

E&DM Conclusions and Recommendations

The mission concludes that there is not sufficient scope for a separate component on environment and disaster management.

The mission recommends the following:

- To suspend preparatory activities under this sub-component
- To negotiate with CHARM, any adjustments, if required, in their approach and plans to the needs of CHTDF. This concerns two main requirements of CHTDF.
 - o Firstly, assistance with regard to the highly required environmental assessments of CHTDF CE interventions. Required funding should come from CE.
 - o Secondly, propagating environmental sound practices on sloping lands with regard to potentially environmentally unsustainable interventions like ginger and turmeric cultivation, and cow or goat rearing
- To adjust the ICB and CE components to accommodate disaster response and management activities and to make implementation dependent on the institutional capabilities and the priorities assigned to the issue by RC, HDCs and PDCs. Disaster Response might be an excellent opportunity for testing and strengthening community outreach.

7.3 Education

Education Sources of Information

The mission used for its assessment the Education component formulation ToR and a briefing-cum-logframe session with key CHTDF-Dhaka staff. Education was not covered in the Prodoc. Field observations and interviews with key stakeholders in the area and staff of Koinonia in Dhaka, which runs an EC-supported education program in Bandarban, provided additional background.

Education Brief Description

The component formulation has not started yet, but the project considers an option to implement this component through experienced international NGOs, namely CARE and SCF Alliance, in collaboration with HDC, DPEO and local NGOs.

The project intends to increase access to and demand for basic education, improve quality of basic education and increase accountability and capacity of decentralized institutions mandated for education.

The project probably will engage UnFCs and PDCs, already engaged in CE, in prioritising villages for starting new schools and informal education. This will be complemented by methodology and curricula development, teacher training, SMC training and ensuring GoB-support and eventually registration at the one hand, and strengthening relevant institutions (HDC, DPEO, Unions and training colleges).

Education Financial and Operational Capacity

The applicant itself does not have relevant technical expertise, but proposes implementation through IOs like SCF Alliance and CARE, and HDC/DPEO, which would combine to provide sufficient expertise and mandate.

Financing of CHTDF beyond September 2009 is not guaranteed.

Education Relevance

Education is key to emancipation of communities in the CHT and a priority for many PDCs. The component has still to be elaborated, but should define exactly which communities from among so many it is targeting. The model that will probably be used, will be close to that of CARE's recently closed CHOLEN project.

Education Methodology

A logframe with verifiable indicators has been initiated but could not be finalised during this evaluation mission. The general approach was communicated during meetings, but is not yet on paper. The component needs much more elaboration for the mission to be able to evaluate design coherence, action plans, activities, involvement of beneficiaries and partners.

Education Sustainability

Impacts should normally be high and the project intends to design this sub-component for optimal multiplier effect. The main issue is sustainability. The generally poor communities will have problems in sustaining the schools started under the project. In case the project has to withdraw in 2009, the same sustainability issues might be at play as with CARE's CHOLEN project and EC-supported school projects by Koinonia and GK.

Where in the plains districts the core problem is motivation and community willingness to mobilize resources, BRAC and other NGOs often follow an approach of running schools for a few years to prime the community, and then withdraw. Many communities will then try to continue with their own inputs and minimal support from the government. This approach, if feasible in the plains districts, will not work in most of the CHT, because CHT communities also have to deal with few other major problems, namely remoteness, language and culture gaps.

CHTDF sees itself in a better position than NGOs like GK because of closer cooperation with and patronage by HDC. This might result in continued support with school materials and partly payment of teachers' salaries, and possible adoption by future projects and NGOs covering the same area. The mission can not assess this assumption as long as the program is not worked out in detail. It has few remarks:

- Whether future projects and NGOs adopt CHTDF schools depends on too many factors to count on it
- The possible material and teacher cost support will not be enough in itself to support schools in mostly remote and illiterate areas.

Therefore the mission sees it as of utmost importance that the component formulation increases the basis for sustainability of results, either by realising structures that ensure continuation of newly initiated arrangements, or a limitation to expected results and activities that can be continued under the present circumstances.

Education Budget and Cost-effectiveness

The project submitted a first budget for this component on the last day of the mission with a four year program of \$1.3 million (Euro 1.1 million). About \$900,000 would be

required for program activities and \$200,000 for staffing. The sub-component requires more elaboration before assessment is possible.

Education Conclusions and Recommendations

The mission concludes and recommends the following:

- The mission assesses the need for education as very high
- The mission proposes that sustainability of results is a major focus of the upcoming formulation mission and that the EC should be satisfied of the appropriateness of formulated arrangements under the proposal
- It advises to base the subcomponent on needs as emerged within the CE component in selected PDCs/Unions and to elaborate a sustainable approach with concerned PDCs and Unions
- It advises to coordinate and synchronise efforts with education program NGOs supported by the EC, namely GK and Koinonia.

8 Confidence Building

The confidence building component is for the evaluation purpose split in two parts, the already elaborated minority rights and culture subcomponent and the not yet elaborated other subcomponents.

8.1 Minority Rights and Culture

Brief Description

The project proposes that this component is implemented through CHTDF itself. Relevant socio-cultural and media institutes are involved, but more as recipients of training and support. The project activities pertain to:

1. Support to institutions promoting minority rights and culture
2. Recording and disseminating oral and written histories and culture
3. Promotion, preservation and celebration of values and practices through events, media coverage and specific measures yet to be identified

Financial and Operational Capacity

What is intended with the core of the sub-component has not been attempted at this scale in Bangladesh. The project seems best placed to make this effort because of its outlook and connections.

Relevance

The proposal is very relevant to CHTDF's objectives, and to the needs and constraints of the intended target group. It promotes equal opportunities and minority rights and this has not been tried before at this scale in the CHT. The project defines as target beneficiaries minority ethnic groups, socio-cultural and community based organisations, those that participate in dialogues and events, with as secondary beneficiaries the institutional stakeholders and the general population of Bangladesh.

The project should more clearly describe which ethnic minorities are targeted and how. It should give a baseline situation for the various ethnic groups, and propose group-specific interventions and approaches that address their different levels of organisation, and their different levels of oral and written history and culture.

Methodology

The core of the sub-component, the recording of history and culture seems a straightforward component. The support to relevant institutions and the preservation and celebration of rights and culture enhance the core component's impact.

Ownership issues are not worked out. The mission advises to assign or form bodies for each ethnic group that will define the programme, and facilitate and monitor the progress and results. Promotion and preservation should also remain mostly in their hands.

Sustainability

The training of institutes and the series of events have only a supportive role. The impact and sustainability of the impact depend most on the access and ownership feelings that the target group has towards the records and other results. See remarks under the previous sub-chapter.

Budget and Cost-effectiveness

The component document proposes a five year budget, of which the first three-years (Phase III) has a budget as shown in the following table.

Table 13 **Minority Rights and Culture Budget (\$, 3-year)**

Item	#1	#2	#3	Total
Personnel:	69,600	-	-	69,600
Contracts:	-	604,000	130,000	734,000
Training:	30,000	-	-	30,000
Equipment:	215,000	39,800	-	254,800
Miscellaneous:	-	695,000	200,000	895,000
Micro-capital grants:	-	-	-	-
Total	245,000	599,800	330,000	1,174,800

The costs appear to be high. The new 3-year budget proposed by the project towards the end of the mission and on basis of the logframe and budgeting exercise during the mission, asks only for \$420,000 in activity budget, and \$51,000 for a full-time consultant. The mission cannot assess this budget without further details.

Conclusions and Recommendations

Logframe and Budget

In the proposed logframe no proper result indicators are given. The used indicators are in fact (outputs of) activities, e.g. "histories written" and "3 workshops per year", without relation to the purpose. This needs to be corrected. The logframe further lacks a description of activities without which (a logframe of) a new program cannot be well evaluated.

The logframe and budget proposed by the project in the last days of the mission considerably change the outline of this component compared to the formulation document. The written history, compilation of oral histories and compilation of customary rights will be done at \$150,000 only, while a dictionary and grammar of minority languages is added at \$150,000. Events are reduced to \$3,000. As no elaboration of these activities is given, it is difficult to assess whether these can be done effectively and within the given budget and time.

Conclusion and recommendations

The mission thinks that participation and ownership are the main issues to be elaborated as yet and that further activity details need to be provided in the logframe.

The mission proposes to include the component as such in the UNDP-EC cooperation, but under two conditions:

- An inception period of three months for consultation, stakeholder mobilisation, participatory planning and selection of stakeholder organisations who will direct and own the activities and results.
- Budget should not exceed \$450,000

8.2 Other Confidence Building

Brief description

The component intends to achieve to build confidence to solve long-standing problems through the following:

1. Increased interactions, mutual recognition, dialogue, consultation and awareness of opportunities to solve long-standing problems through study tours, exchange visits, sports activities, dialogues and awards.
2. Creating an enabling environment for effective functioning of GoB commissions, task forces and policies aimed at solving long-standing problems, by sustaining dialogue on critical issues by exploratory and preparatory measures guided by GoB for the Land Commission, Police, Electoral commission, Refugees Task Force, Community Forestry Minority Rights and Culture has been dealt with separately in chapter 8.1.

Most of these sub-components depend heavily on goodwill and political will from the various stakeholders involved, notably the government. The process will therefore be tentative and unpredictable. At present the project has started some dialogue, exchange and study tour activities and assesses that it can start with all subcomponents in modest ways, except support to the land commission and elections.

Financial and operational capacity

CHTDF has proven to manage its first component (CE) reasonably well, but will have to alter its management practices and set-up to cope with increased management workloads and complexity. The project has proven to have the expertise and diplomatic acumen to deal with the overall issues involved. While CHTDF and UNDP are very well placed with regard to peace building, police reform and elections, issues with regard to land and forestry will require set-ups and expertise that are not available within CHTDF/UNDP at present and must be arranged when the time of preparation comes.

Relevance

The issues dealt with are crucial to confidence building and peace in the area. For all but one issue (forestry) nobody else is working on these issues. Other actors and donors expect a lead role from UNDP in this field. The project is in close consultation with CHT leaders on the issues and walks a fine line between all the different interests and opinions. To organise consultation with all relevant key players is not so much a means but an aim of this component. The project should however make more effort in involving the ultimate target group, i.e. the displaced, the refugees, the victims of violence, and the settlers, in order to confront leaders with desires and initiatives at grassroots level.

The one exception where others are working on is forestry. A DANIDA-supported project works on community forestry in village commons, through local NGOs. The mission has not been able to assess CHTDF's statement that the two approaches are too far apart for overlap and cooperation.

The relevance of study tours, exchange visits and sports tournaments is often questioned, and deserves separate attention. The mission considers study tours a rather expensive means of bringing separate stakeholders together, but realises that there is no alternative to bringing key leaders and officials together for a prolonged period and making them look at solutions to similar problems as implemented abroad. Participants of the first tour, when met by the mission, frequently referred to what they had experienced abroad and translated that to the CHT. The mission also realises that success of a study tour as well as dialogue in general will depend more on the sincerity of participants than on the activity.

Exchange visits play a similar role, but at a local level, while focusing more on community and economic development than on confidence building. The sports tournaments are also among the very few available means for people from opposing communities to meet each other in an atmosphere of goodwill. In case the project intends these activities to continue after 2009 under local institutions, the project should review the style and expenditure, which appear to be beyond the means and capacities of local institutions.

Methodology

Because of the political aspects attached to the issues, and the lack of progress in the last ten years, the formulation of concrete steps beyond dialogues, study tours and exchange visits under CHTDF can not be started yet. The other activities are however so important for the overall objectives, that the lack of work plan detail and the possibility of zero-achievement should be accepted. The focus and shape of the action will very much depend on the type of opportunity that arises, if it does.

Sustainability

Impact, multiplier effects and sustainability very much depend on the design, which will only be finalised at the time opportunities arise.

As for the formulation of the "issue-related" pilots that are foreseen, replicability should be an overriding concern and implementation should not be done in UNDP-mode but in the more modest mode of the ultimate implementing agencies, i.e. Refugee Task Force, Land Commission, Forestry Department, Regional Council, HDCs, and local communities.

Budget and cost-effectiveness

The 2006-2009 budget made by the project at the end of the mission follows very much the lines of the Prodoc, with slight reductions in budget for study tours and dialogue. The total budget is also comparable. The budget of the Prodoc is however for 5 years, while this budget is meant for 3 years only.

Table 14 Confidence Building Budgets of Prodoc and 2006 compared

Item	Prodoc 2005, 5-yr	New budget, 3 yr
Dialogue	430,000	203,000
Study tours	480,000	252,000
Exchange visits	140,000	125,000
Forestry	448,000	400,000
Minority Rights & Culture	448,000	470,000
Police ICB	208,000	216,000
Incentives	432,000	420,000
RR,IDP, ExC	834,000	650,000
Confidence Building Fund	407,000	650,000
Total	\$3.4 million	\$3.5 million

The mission assesses the budget as very ambitious, because a full start in all subcomponents right from the first month of Phase III seems highly unlikely. Firstly, the project will need time to work out subcomponents and recruit staff. Secondly, even with the proposed staff in place, the workload and complexity of the task will allow only slow progress. The progress on confidence building activities so far achieved by the project are a case in point. It is more likely that the project, if everything goes smoothly, will be able to spend much less than \$3.5 million in a meaningful way.

Conclusions and recommendations

The mission assesses the programme of dialogue, study tours, sports tournaments and exchange visits as a good contribution to confidence building. The donor should accept that the results will be rather intangible as long as no progress is booked on key CHT issues like land, forests and IDPs. The project should however more clearly outline the activities and strategy in the logframe for these subcomponents.

For the other subcomponents, those related to specific long-standing issues of land, police, refugees, elections and forestry, the general outline provided is acceptable in view of their importance and the present CHT environment. The logframe should however still provide activities, even though these will be tentative as long as other stakeholders have not been involved or agreed to them.

The mission assumes that under the present status-quo, which is the logframe assumption, the project will not be able to book progress as per the proposed budget (i.e. the implicit workplan), but proposes to include as yet a budget that can accommodate a more optimistic scenario. This will avoid that the project has to find additional funding in case such a more optimistic scenario develops. It proposes to allocate \$3.1 million to the component (excluding the \$0.4 million for minority rights and culture) and readjust within the component once opportunities come up. Part of this budget can be formulated as contingency reserve fund, which according procedures can reach 5% of eligible cost.

The mission proposes further that each subcomponent on which the project can progress with formulation missions, shows a proper subcomponent logframe, a detailed workplan, bar chart, so as to enable proper planning and evaluation.

If formulation is moulded as an inception period with an inception report as result, this will allow the project to establish the subcomponent with staff, office and partner offices before implementation begins and involve these staff and stakeholder institutions. This will increase implementation speed, practicability and ownership. The formulation consultants will also be able to work much more efficiently.

Part C: The Project as a Whole

9 The Project in its Environment

The CHTDF management team maintains that under the circumstances it should evolve by process approach, in which events are not always predictable. This does apply to some parts of the components and should be taking along while planning and budgeting. One can envision the future by working with scenarios. The scenario on which the logframe is based is the near status-quo scenario, in which the situation remains mostly as it is now, with now and then set-backs but continuous slight improvements as the project progresses. The project should however also envision the best-case and the worst-case scenarios so as to be properly prepared for these and to allow donors to see the range the possible achievements in an uncertain situation.

9.1 Worst Case Scenario

The worst-case scenario combines a total lack of political will to solve and make progress on long-standing issues related to institutional mandates and capacity, land, forest, elections, refugees with a breakdown of mutual tolerance between communities at a local and national scale.

Under such worst case scenario, the project will not book progress on ICB and CB and be mostly limited to parts of CE and RWI. Also progress in CE and RWI will be affected as impact and sustainability depend on progress in the two affected components. E.g. the government might feel unable to allow the CHT to have a much higher per capita services investment and deviating approaches to health and education, while RC and HDCs might remain as unable as at present to plan, implement and support rural development in any substantial or meaningful way. Also business cooperation between Bengali and CHT people might become difficult to realise when trust breaks down and the CHT will be considered again an unsafe place for outsiders.

Under this scenario the project will still need most of its staff, resources and budget for CE and RWI. Project expenditure would still be 50-70% of what would be possible if no worsening or improving of the situation would occur. The project would not look much different from how it looks now, with a full CE component and a big part of the EO subcomponent. Project management conditions will only be slightly more problematic that they are at present.

9.2 Best-case Scenario

The best-case scenario would see firm political commitment related to and progress in all issues and sub-components. The government would ask the CHTDF for full-blown assistance for making the RC, HDCs and CHTDB a fully functional system of institutions, for assisting the Land Commission, for settling land dispute cases for holding elections, for providing humanitarian aid to Refugees, Ex-combatants and IDPs, for implementing community forestry, and for reforming police. It would further ask help for the HDCs to fund and subcontract NGOs in education and health, and it would ask assistance in expanding the CE programme to all 4500 or more Para's of the CHT.

The program would look very different from what it is now. The project would feel pressed to divert staff and capabilities from CE and RWI to especially CB, which is in a higher priority category. It would need maybe \$200 million.

Most importantly, the project would not be able to deliver all the required support, nor manage it, because the present project management structure and partner institutions

might be strengthened to manage more components than Community Empowerment, but should not be expected to manage a \$200 million program in a remote area with new institutions.

Therefore this best-case scenario might be the best case for the Hill Tracts, but not for the project. For the project it might be even best if the present status-quo situation continues, allowing the project to slowly evolve and become stronger.

9.3 CHTDF's Role in the CHT

One issue that needs attention is the CHTDF's role and image in the CHT. CHTDF, or "UNDP" as it is called all over the Hill Tracts, has become the biggest and most visible project in the CHT. It outgrew all other interventions in means, facilities and now also in outputs. It engages one third of all Paras, 20% of all inhabitants and has working relations with all relevant government agencies, councils and NGOs.

The fact that CHTDF has become the most powerful development player in the area automatically attracts its own opportunities and problems. At the one hand will new actors in the area always consult CHTDF, which makes coordination easy. At the other hand, CHTDF becomes vulnerable to criticism by stakeholders whose own room to manoeuvre and whose feelings of ownership for the development process might be decreased.

CHTDF is slowly turning in to a new powerful patron for many stakeholders in the area, and becomes thereby a social and political player. This is a phenomenon that can be seen all over Bangladesh where NGOs and big projects become benign versions of the old rajas, zamindars and jotedars, and consciously or unconsciously start to influence local society and politics.

Local partner NGOs so far think they benefit more from CHTDF's presence and size as a protector against ill-will by outsiders, than that they and their identity suffer from it. Among local beneficiaries, most of whom never participated in development activities, there is a risk that expectations towards CHTDF start to exceed CHTDF capacity. For example, the fact that CHTDF will stop temporarily adding PDCs to its CE program, will not be appreciated by everyone. Similarly, many PDCs will for a long time not feel ready for CHTDF to leave them behind, when it has to move on to other areas and activities.

So far only local leaders and government agencies make remarks about the size and influence of UNDP in the area. These remarks, even if made jokingly, should be taken seriously. If the project becomes "too big to own" for local leaders and institutions, the project should seriously rethink its strategy. Absorption capacity of the project is one concern, the absorption capacity of the area's leadership and institutions is a much more important concern. For the project it will be a challenge to once leave the area without leaders and institutions feeling able to replicate the effort.

It is clear that CHTDF should decide exactly which role it will play, accept the implications and commitments coming from that position, and formulate its exit strategy. This position and its exit strategy should be clear to all.

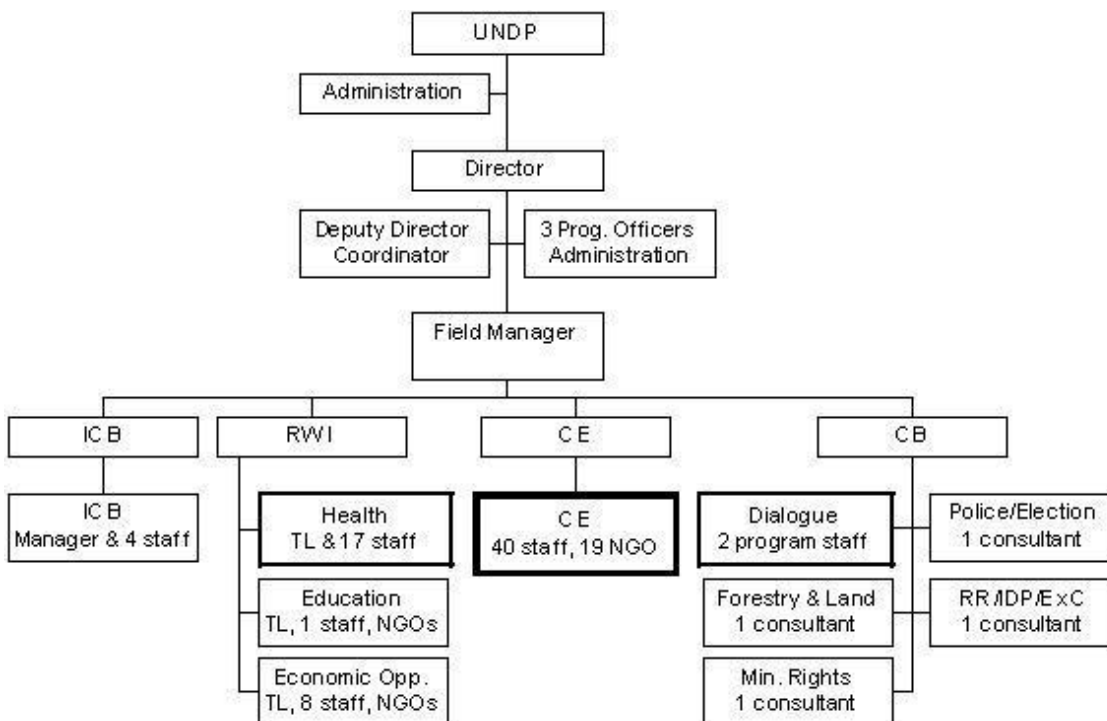
10 Management, Planning and Administration

10.1 CHTDF Project Management structure

At present the management structure is straightforward. The Dhaka office with its director and staff deals with all aspects of all components except implementation of CE. CE is mostly dealt with by the Field Manager in Rangamati and her staff. This structure works well, because the set-up is relatively simple, but also because the unity and focus

that is evident within the project team, which is an achievement in itself. This unity and focus is crucial to project success and should be preserved at all costs. This will be a major management challenge during the planned stage of expansion and diversification. Figure 1 gives a rough indication how the project will look like if all subcomponents are included with staff and budget as proposed by CHTDF. Ongoing subcomponents are shown with borders in bold.

Figure 1 A picture of Phase III proposal by CHTDF



Recently the health pilot was added to the operations in Rangamati, which can give an indication of what is to come if more components reach the implementation stage. Any new team arriving in the field needs few things: 1. establish relations with authorities at district, Upazila and Union level; 2. find target groups and decide on target areas; 3. establish logistics and security systems.

For all three needs, any new team will logically seek the support and use of the existing CE field system, including UNVs, NGOs and field staff, which is the foundation and strength of the project. This is logical and good, because it would be highly inefficient if each new component would try to establish its own structure, network, and moreover do its own empowerment of beneficiary groups.

This will count at least for health, education, environment, disaster management, economic opportunities, election support, land, forestry, and IDP/RR/ExC support, which require involving communities. If all subcomponents really take off, there will be eight managers and within an integrated system their staff will be competing for attention of Upazila and Union level CE staff, while CE work will be affected. The presently proposed field management alternatives, e.g. with seven sub-managers under one field manager, will probably not decrease these problems.

Also after the initial establishment phase, the CE network will probably still be the basis of operations of all subcomponents. The project will, like many projects before, realise that for beneficiaries and for partner organisations, CHTDF needs one window, i.e. one contact person, as for beneficiaries and partners dealing each time with different CHTDF-related staff is impractical. Logically these “one-window staff” would be again the NUNVs for Upazila level work and the CE NGO's CFs for the villages. As both NUNVs, NGOs and CFs have still a more than full program for CE for three years, the project will have to choose whether CHTDF and NGOs should add more field staff. If so, budget should be added in the presently proposed budgets.

There are two alternatives to avoid the noted problems.

The first is to work like many integrated rural development projects have worked in the past, when that model was still in vogue. These programs ended up with various components working in different villages to avoid overload and to avoid politicians complaints that all benefits go only to one set of villages. In this model it would be possible that a PDC learns to produce higher quantities of ginger and save money for a school, while the marketing and education programs works in other Paras.

The second alternative is to reduce the number of sectors and integrate subcomponents under Community Empowerment, by adding specialists to the CE team. For components that are directly linked to CE like economic opportunities and education this is well possible. Links with land cases and forestry are in theory also possible, but can not be really assessed until those subcomponents are elaborated further.

10.2 Planning and Reporting

Planning and reporting in a project that adopted a process approach, and that deals with multiple partners, multiple implementation challenges and multiple donors, is by necessity a very complex and cumbersome task. Although the project has made a sizeable effort, especially within the CE component, judging by the results not enough attention and expertise is applied to the task of planning and reporting. A few examples:

- Progress reports show results, but do not compare those with either the targets of the whole phase or those of concerned year.
- Progress reports also show results by main component, leaving it to the reader to decide which progress statement relates to which subcomponent and sub-component activity. This is made even more complex by the frequent changes in numbering and sequence of components and subcomponents.
- The project does not use logical planning tools that provide expected results and indicators for that purpose. E.g. the detailed component formulation documents do not have logframes, planning bar charts or manning schedules. This does not hamper only evaluation by outsiders, but just as much the implementation and internal monitoring by the project itself.
- Annual Workplans do not provide the context of the plan, e.g. achievements-to-date, cumulative progress and end targets. E.g. during the mission the information by the Dhaka office about the intended numbers of PDCs and the required budget amounts varied frequently. The project appeared not clear on how many PDCs can and should be reached. Nor how the project will exit these PDCs and what money and efforts are still required to accomplish the objectives.

The mission thinks that it is well possible to apply normal planning and monitoring practices to all components and subcomponents. The unpredictability of the environment only affects a small part of the program and can be caught in risks and assumptions of

the logframe. It hopes that the logframe exercises have helped to clarify the basis for planning and monitoring.

The project plans further a baseline study as basis of monitoring and evaluation. The mission advises that the to be collected set of data should be limited purely to those issues in which the project intends to make a difference, i.e. the logframe indicators.

The mission would advise the project to stick in all reporting and planning to the sequence of the Prodoc, to add a progress table to progress reports comparing targets and intentions to outputs and cumulative outputs, and to demand higher quality and more detail from project formulators. The mission further advises to compare the targets and achievements in all planning and reporting to the logframe's expected results and indicators.

10.3 Managing the EC Contribution

The EC contributes € 7.5 million for Phase II, ending June 2006, to a budget of €9.9m, of which UNDP contributes 25%. The project had spent by December 2005 about €3.6m against a 2005 budget of €5.4m. This leaves 64% of the Phase II budget unspent with one third of the time left.

Table 15 Phase II Budget and Expenditures

	Heading	Budget Phase II	Budget2005	Expense2005	Balance Phase II	Balance2005
1	Human Resources	1,628,900	993,232	1,178,224	28%	-19%
2	Travel	150,000	80,488	22,261	85%	72%
3	Equipment & Supplies	640,000	690,244	280,723	56%	59%
4	Local Costs/ Action Costs	360,000	146,341	62,071	83%	58%
5	Other Costs, Services	268,100	150,854	3,484	99%	98%
6	Other, Total	6,212,000	4,100,000	1,781,110	71%	57%
	6.aICB	-	-	-	NA	NA
	6.bCE	5,250,000	3,231,707	1,781,120	66%	45%
	6.cRWI	264,000	225,608	-	100%	100%
	6.dCB	448,000	337,804	-	100%	100%
	6.eBaseline	250,000	304,878	-	100%	100%
7	Administration7%	647,823	353,651	250,631	61%	29%
	TOTAL	9,906,823	6,514,810	3,578,504	64%	45%

The table raises various planning and budgeting issues:

- Activities planned under the RWI and CB components could not be implemented, and probably will not until June 2006
- Study tours and exchange visits, the only activities implemented under CB, were not budgeted as activities under budget heading 6 and had to be booked under administrative headings like travel.
- The 2005 human resources budget was overspent by nearly 20%, while one would expect that actually less human resources would be needed when much less activities are implemented than planned,.

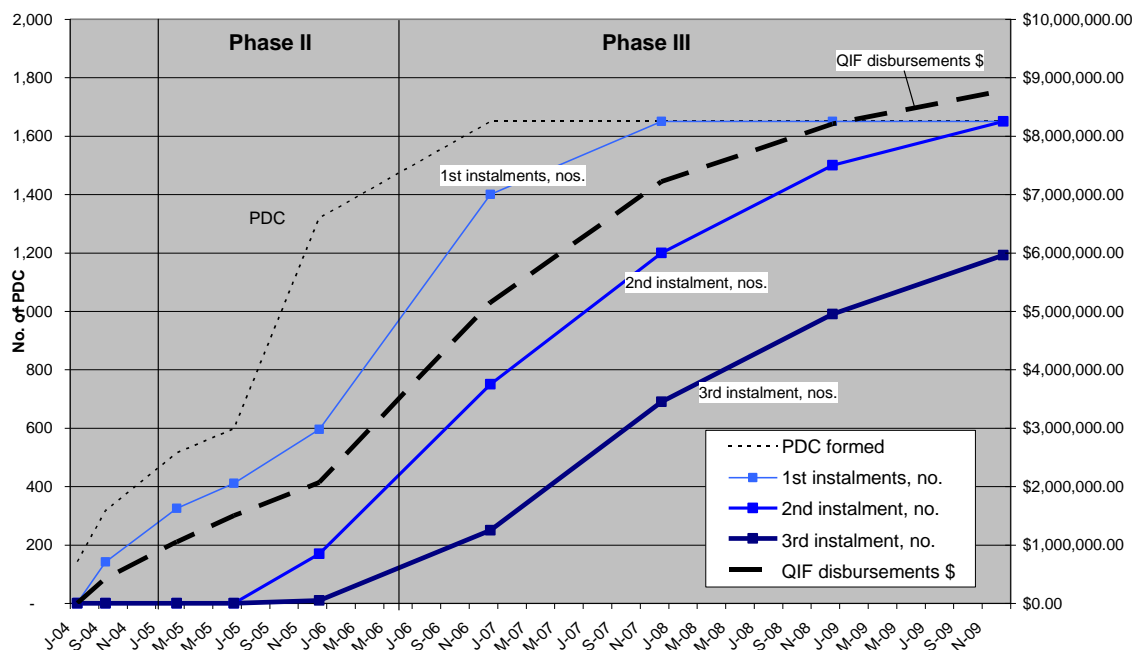
- The project has to triple its rate of expenditures the coming months before Phase II ends. It can be expected that ultimately the Phase-II budget for CE will be spent (see the discussion about absorption capacity and Figure 2 below), but the risk exists that the project feels forced to hurry up expenditures until June 2006, which might again affect quality of implementation.
- It is not clear how the EC-budget and expenditures fit in within the whole project picture, and how contributions from other donors fit in. Both EC and NORAD have expressed a desire for more clarity in this respect. It should be possible for the project to show to all the donors one extra picture with the whole budget (against a UN-style budget) and all expenditures allocated to each and every donor. It will inspire trust in the project if the donors get an idea where their funding and expenditure fit in.

Absorption Capacity Community Empowerment

The project has explained the implementation delays by the late arrival of funds from EC, i.e. October 2005, while UNDP funds already had been used mostly by mid 2005. If so, this should be visible in analysis of progress for the most fund-consuming activity, CE/QIF. The graph in Figure 2 on page 55 shows the existing CE progress till December 2005 and extrapolations for the end of Phase II (the second vertical line, June 2006), and for Phase III up to 2009. PDC formation and number of instalments are plotted against the left vertical axis, while only the dotted US \$ disbursement line is plotted against the secondary \$-axis to the right.

The graph shows indeed that the PDC formation progress (dotted trend line) picked up since mid 2005, after signing of the EC-UNDP agreement, and it should be expected that expenditures in first half of 2006 will probably increase considerably. Normally the project should have spent \$ 4,000,000 by June 2006 (where the vertical line crosses dotted disbursements trend line), as the 1st instalment-curve and the QIF \$ disbursement-curve should have a somewhat similar increase in 2006 as the PDC formation curve had in late 2005.

Figure 2 QIF Progress, Expenditures and Projections, 2004 - 2009



Therefore the absorption capacity for the project’s largest component, CE, should be considered still reasonable. It will however decrease when more quality is demanded.

Absorption Capacity Other Components

The absorption capacity for other components is more difficult to assess. At the one hand will the delay in fund arrival have affected progress in preparing components, but at the other hand the mission notes that the project went ahead with formulation and implementation of a health component that was certainly of lower priority seeing that the funding and description of it was left out of the Prodoc. It is more plausible that slow progress is due to the fact that the responsibilities for a wide range of preparatory and implementation activities rests on the shoulders of too few Dhaka staff members. The fact that Dhaka staff has not experienced any reduction in workload during 2005 while waiting for EC funds seems consistent with this assessment.

- Preparation of all RWI and CB subcomponents and the organisation of study tours and dialogues, and part of meetings and crisis management are done by only one senior staff with two program officers. These are all high workload activities.
- Moreover, the project depends on the inputs from partner institutions like MCHTA, RC and HDC, which have only very limited capacity to support CHTDF work.

The CHTDF is also optimistic about the possibilities for progress, because of the present Community Empowerment progress. CE achieves indeed good progress now, but it should be realised that the CE implementation structure took more than two years to become firmly established and that initial delays and disruptions allowed the component

to give its staff and partner NGOs ample time for training and preparation. Other components will not be allowed so much time and preparatory activities.

It should also be realised that the considerable CE progress has gone at the cost of quality, which it has as yet to undertake corrective action for. Even though CE started cautiously and slowly, other components should be even more cautious to ensure quality, especially on technical and specialist issues, which tend to get less attention than those of general approach. The mission assesses that a slow start and less ambitious targets for each other component will benefit the ultimate output.

Management, Overall

UNDP will field a mission in March-April to review the management situation of UNDP in general and CHTDF in particular. The mission appreciates that this review takes place in a crucial time, ahead of project expansion in Phase III. It recommends that the CHTDF-part of the review also looks in to the following issues:

- Whether CHTDF should become a Facility that facilitates other donors and projects or remain a direct implementation project with many subprojects/components. It is not unlikely that part of the management worries could be alleviated if CHTDF could become more of a facility.
- How to strengthen the planning and monitoring capabilities of CHTDF at management level. It might be considered to add one senior planning and monitoring officer with long years of field implementation experience to the management team. Then the project will have its figures for past and future available when required during e.g. negotiations with potential donors or evaluations.

10.4 Donor Co-ordination

The core of CHTDF, i.e. the Prodoc-based activities, is supported by four donors, i.e. UNDP, EC, USAID and NORAD. NORAD's contribution (€1.2m) is ending in 2006, while USAID's support (€3.0m) seems to have no time bounds but the end of project in 2009. Additional aid from both is not sure. AusAID and Japan support add-ons like scholarships and community buildings, not foreseen as such in the Prodoc, but seen as opportunities for CHTDF to play its facility role. A consortium of EC, SIDA and Netherlands is considering support for the health subcomponent.

At present there is ambassador-level LCG sub-group coordination for all donor-aided interventions in the CHT. There is no formal donor consortium with only CHTDF-donors, but both EC and NORAD have frequent contact with UNDP and CHTDF. The mission has not been able to check, but assumes the same is true for USAID, AusAID and JICA.

The project would benefit from a basket fund construction, where each donor provides a share without specifying which part it finances. This would require that financing periods are synchronised and that donors agree on conditions for reporting and implementation. It would also require the project adapt its planning and reporting system and capacity. Ultimately it would benefit the project when only one plan and one report is required, but it also could reduce the flexibility it has now in dealing with individual donors.

Other major donors for the CHT are UNICEF, WFP, DANIDA, and ADB. CHTDF is in communication with these donors and projects, all of whose areas of intervention overlap somewhat with CHTDF, but for each seems to count that both sides feel that cooperation for synergy purpose will complicate implementation.

10.5 Issues raised by the QSG

The mission would like to highlight separately the issues raised during the QSG in EC Brussels, namely absorption capacity of the project, and direct engagement by EC of GoB on its commitment towards peace accord implementation through a different implementation arrangement.

Absorption Capacity

The mission has assessed this issue in previous chapters and concluded that absorption capacity and progress of the largest component, community empowerment, is good and that progress figures available to EC at the time of QSG were suppressed due to unavailability of funds. Nevertheless, the mission is thinks the absorption capacity needs to considerably increased for the rest of the project when all the other components start implementation.

The project is in the unenviable position that its highest priority subcomponents, settling long-standing issues (under Confidence Building) might not progress or even start well because of political limitations, while first implementing all the lesser priority components might consume all its implementation capacity, so that when an opportunity to implement a high priority component comes up, it will be difficult to manage. The mission therefore proposes to prioritise its components and the activities within components, so that part of these can be discontinued to free funds, staff and facilities for the higher priority program. Prioritisation will be further discussed in chapter 12.3.

Alternative delivery mechanisms

The QSG worried that “support through UNDP cannot reinforce political dialogue” and concluded that alternative delivery mechanisms should be explored. The mission has for that purpose assessed the main alternative, i.e. a direct EC-GoB agreement on CHTDF, to be implemented by UNDP.

Firstly, the mission assesses that after the signing of the Prodoc by GoB in December 2005, dialogue and tackling long-standing issues under the confidence building component of CHTDF can take off. Progress will be limited, but in a basically political process high progress will not be possible anyhow. The mission also thinks that direct EC-GoB political dialogue will not be hampered but will be supported by CHTDF activities.

Secondly, the mission assesses that a new separate GoB-EC agreement will confuse all stakeholders and certainly delay the process, which now finally seems to start.

Therefore the mission advises to continue the present arrangement and evaluate progress on these issues during the planned Phase III Mid-Term evaluation.

11 Conclusions and Recommendations

11.1 Conclusions and Recommendations

Community Empowerment

The Community Empowerment component has been a big effort with high quantitative progress over a large area, and visible results. It is now committed to 1625 PDCs, or more than 33% of all CHT Paras. When completed it will have helped 300,000 to

350,000 CHT people. It is estimated that the component has achieved some 20-25% of all activities required for assisting 1625 PDCs, and that progress against effectiveness indicators also might fall somewhere near that range. The component is also already generating demand for input suppliers, mechanics, technical experts, improved marketing systems and infrastructure, support for schools and support for cooperation among PDCs.

CHTDF management agrees to halt the addition of PDCs and to work on the quality and sustainability of its outputs by 1. special focus on the needs of and assistance for vulnerable PDCs and women, 2. ensuring better technical and environmental assessments and support, 3. better PRAs and true participatory monitoring, 4. aiding PDCs towards a next stage of self-reliant development, 5. institutionalisation of the program, 6. linking PDCs to other programs within and outside CHTDF.

This focus on quality will slow down quantitative progress, although expenditures will continue to rise steadily. Total expenditures from QIF will be at maximum \$9.5m (€ 8m) by end 2009. It estimates that \$4.5m of this can be booked under EC CHTDF-II budget and \$1.0 million under USAID, leaving \$4.0m (€ 3.3m) for Phase III. Training, staff, NGOs, studies and an allowance for extra initiatives under local institutions will add another \$ 6.3m (€4.6m) to the three-year Phase III budget, making a total of \$10.3m (€8.6m)

The component team is slightly overstretched, especially at management level, but should normally be able to accomplish the completion of all PDC activities and ensure sustainable impacts within a range that can reasonably be expected. The question is what will happen once all the other components start their operations and make demands on the CE system. The project should find ways to stabilise the workload of the CE staff, so as not to affect CE operation in the upcoming important phase.

Institutional Capacity Building (ICB)

The ICB is under formulation, but is sufficiently clear to be assessed. CHTDF is well-placed to tackle this component.

- The present component should clearly address how it will ultimately (Phase IV?) also address institutional issues and opportunities of the government implementation structure at Upazila (UNO) and Union level (UP) and the law and order structure at district level (e.g. Deputy Commissioner).
- As it is not known to which degree and at which speed the government will be able to solve mandate ambiguities and to increase the capacity of the six focus institutions, the ICB should elaborate different scenarios with results and consequences.
- The component should adopt a phased approach in which it is possible to postpone activities that will have less or no result if e.g. mandates and capacity issues are not solved first.
- The proposed budget of \$1.5 million is acceptable.

Economic Opportunities

The economic opportunities form important complementary activities to the already started Community Empowerment at village level and should be included in a next Phase.

- The component should start with an inception period in which the component document will be redrafted to incorporate recommendations by this evaluation mission and to increase coherence and consistency.
- The redraft should clarify which target group should be reached where and how, e.g. by focusing first on empowered communities (CHTDF PDCs), PDC youth, PDC associations, women groups.
- It is proposed to build further on CE achievements, while assessing and developing products and markets in the meanwhile. Partnerships e.g. for product export and tourism should be postponed till times (2009?) when communities and associations have gone through higher levels of a process that is not unlike para empowerment.
- Care should be taken with financing arrangements. E.g. the youth employment fund should be postponed and not be under the project itself, but under the institution that will sustain the arrangement after 2009.

Education

The education subcomponent is only in preparation phase, with a TOR recently drafted. The component needs more elaboration before an assessment is possible. Notably the basis for sustainability appears very thin. The mission recommends inclusion of the proposed \$1.3 million budget under condition that sustainability issues are adequately addressed.

Environment & Disaster Management

The environment and disaster management subcomponent is in preparation phase. The mission sees too much overlap with the CB-subcomponents of land and forestry(the major environmental issues), the EC-supported CHARM project, the UNDP-supported SEMP, the 2000 ADB CHTRDP environmental assessment, to leave a basis for a separate subcomponent on environment. By synergy between the mentioned initiatives and the technical and environmental assessments to be done under CE, the project will achieve good sustainable results. Disaster Management can easily be brought under ICB, as a test case for mandate clarification, RC/HDC capacity building and outreach. These proposed steps will reduce workload, management and coordination problems and enhance the results of other components and projects.

Confidence Building

CHTDF is best placed in the CHT to tackle the building of confidence to tackle long-standing issues. As far as subcomponents are elaborated it seems the project should adjust approaches and input levels by leaving decision-making and implementation to what should be the owners of the process, e.g. minority organisations, committees and CHT institutions. Because of its politics-related tentativeness and uncertainty, it is difficult to plan and budget about half of the subcomponents. The mission proposes a budget that can accommodate optimistic scenarios, for in case these as yet develop, even though the opposite is also possible and no progress at all can be made. For these subcomponents the mission proposes a general budget that will only be specified and approved through a quick approval procedure with EC Dhaka once an opportunity arises. This total budget should be limited to €3.5m.

Part D: CHTDF Phase III Project Formulation

12 CHTDF Phase III Project Formulation

12.1 Logframes

As a basis for both evaluation and project formulation, the mission has initiated component and subcomponent logframe exercises with responsible project staff. The exercises consisted of joint sessions, followed up by mission reviews, CHTDF reviews and concluding meetings. As most of the component logframes had to be built from scratch, and mission and project staff were not always together or available, this process took three weeks. The resulting logframes are attached as 6. All component logframes have been compiled in one overall logframe.

Given the mediocre quality of some of the component proposals and the lack of elaborated proposals for most components, the mission assesses these logframes as the maximum that could be achieved within the given mission time. The project still has to come up with good results indicators in one case (part of Economic Opportunities) and with activities for all but the ICB logframe.

The quality of these logframes is sufficient to do a useful evaluation in due time. Activities and results that are of lower priority or deemed less feasible at this stage, have been put between brackets in the logframe. They are certainly part of the whole picture, but are not expected within Phase III. In case the program makes unexpected progress on the first stages of the program and has the staff and (rearranged) budget to initiate these activities as yet, they might as be initiated.

12.2 Work plans and Budgets

The mission has requested the project to prepare work plans and budgets on basis of the logframes and as basis for the Description of the Action, that they will have to produce in due time, and as basis for the mission's assessment which component can be included in Phase III and how. The project received one format that should be filled in. At the time of mission report submission the project had submitted budgets for all components, but not yet the work plans.

The mission has only been able to make a short assessment of the link between workplan-budgets and logframe, component documents/ToRs and the perceived management capacity. Remarks and recommendations for completion and improvement can be found under the component evaluation chapters.

12.3 Recommended Project Outline

The evaluation mission assesses a third CHTDF phase with increased budget as feasible and proposes to follow the approach and components indicated by the Program Document.

The funding proposal's basis is the Program Document, the commitments towards communities and partners made by the Community Empowerment program, and sufficiently elaborated component proposals.

Table 16 Funding Proposal (US\$ & €)

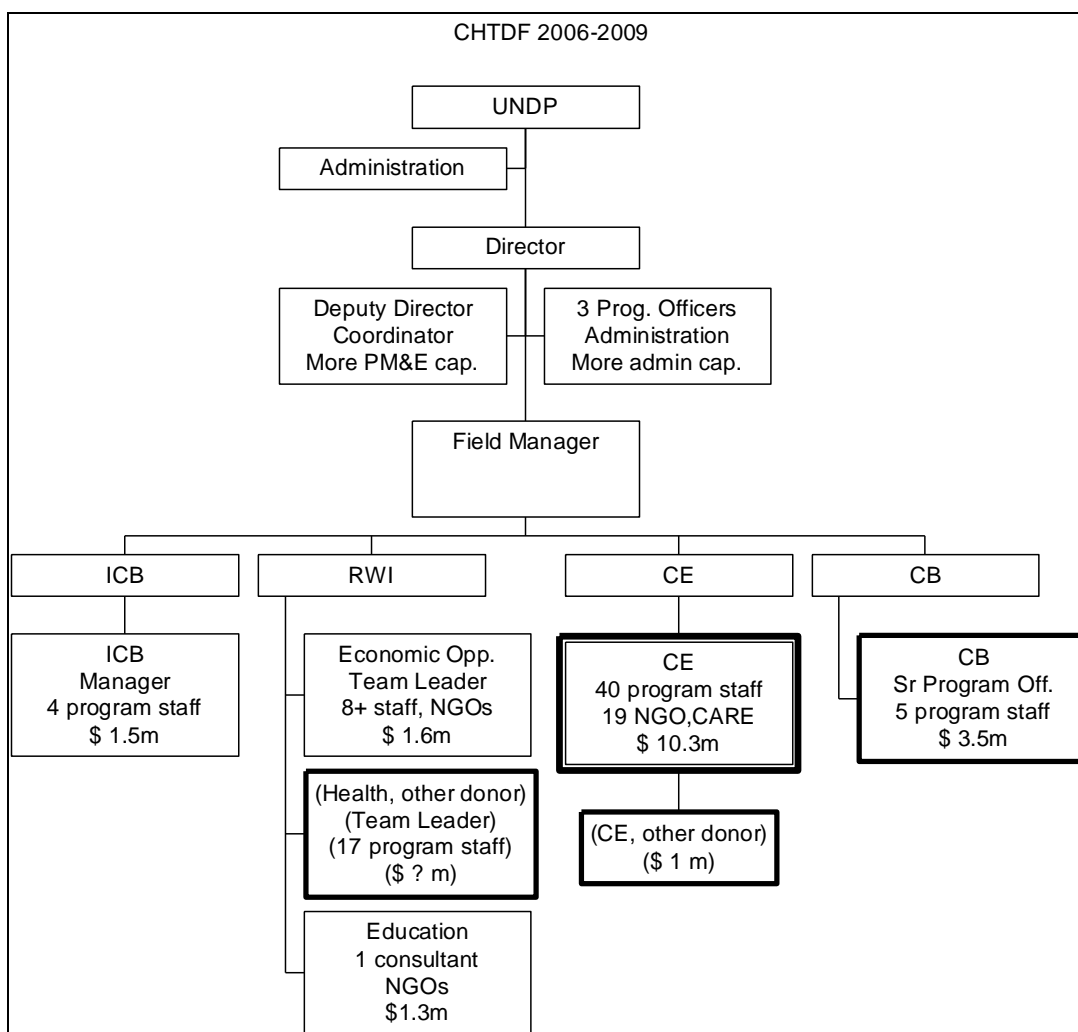
Heading	Status	Prodoc Phase II & III (\$'000)	Phase III, 2006-2009			
			Total (\$'000)	UNDP (\$'000)	EC (\$) (\$'000)	EC (€) (€'000)
ICB	Plan	2,708,000	1,500,000	150,000	1,350,000	1,134,454
CE	Phase 2	29,542,760	10,000,000	1,000,000	9,000,000	7,563,025
RWI: Economic	Plan	1,555,600	1,600,000	160,000	1,440,000	1,210,084
RWI: Education	ToR	-	1,300,000	130,000	1,170,000	983,193
RWI: Env & DM	ToR	1,020,500	-	-	-	-
CBldg: Min.R.	Plan	448,000	450,000	45,000	405,000	340,336
CfBldg: Other	Concept	3,379,950	3,050,000	305,000	2,745,000	2,306,723
Operations		9,259,744	1,500,000	150,000	1,350,000	1,134,454
SUBTOTAL		47,914,554	19,400,000	1,940,000	17,460,000	14,672,269
Overhead 7%		-	1,358,000	135,800	1,222,200	1,027,059
TOTAL		47,914,554	20,758,000	2,075,800	18,682,200	15,699,328
TOTAL (€)		40,264,331	17,443,697	1,744,370	15,699,328	

- ICB: the proposal for \$1.5million is accepted as such
- CE: the proposal for \$10.3 million is accepted. This is sufficient to complete the CHTDF/EC's existing commitment to 1650 PDCs The project still has a commitment of \$1.0 million from USAID that only can be used for Community Empowerment, which reduces the cost for UNDP and EC. The mission added \$0.5 million to accommodate technical and environmental feasibility studies, and to allow the project to add CE activities through local institutions once capacities and mandates are strengthened and clarified.
- Economic Opportunities: the acceptable budget remains \$1.6 million when a budget for 2009 is added, and most of the budget for tourism and private sector development is deducted
- Education: the proposed component budget of \$1.3 million is accepted under condition that the upcoming formulation adequately addresses sustainability issues.
- Minority rights: a budget of \$0.45m is included
- Confidence Building, other: a budget of \$3.05 million is included
- Operations: the proposed \$1.5 million is included
- Overhead: 7% of \$17.5 million is \$ 1.379 million
- UNDP is proposed to pay 10% of the agreed budget

The EC contribution is proposed to be \$ 18,971,100 or € 15,942,101.

Figure 3 shows in a diagram how the recommended Phase III project would look like..

Figure 3 Recommended Phase III Outline



12.4 Conditions for Financing CHTDF Phase III

In view of constraints experienced by the project so far, and discussed under various chapters, the mission proposes that the EC will make the following conditions:

- Workload, program complexity and management structure must be adjusted to each other and be continuously reviewed, so as not to jeopardise achievements by incompatibility between components.
- The implementation capacity of CHTDF might increase and should increase, but there are limits to what a project in a difficult area like the CHT can achieve. The mission thinks it will be prudent to keep the total commitment of ongoing programs under CHTDF at any one time within the US\$ 50 million of the Program Document, because that is what the donors are jointly committed to and that is already a large enough amount for CHTDF to handle. The \$ 50 million should include any addition already made outside the Prodoc, e.g. AusAID-supported scholarships and Japan-aided community centres.
- This will limit CHTDF in what activities the project will be allowed to add on top of EC contributions. CHTDF should stay focused on the program it intended to implement

and should from now on not add mandates and small initiatives that will inevitably divert its attention, while it is already stretched to meet the demands by part of its original set of initiatives.

- The project should further propose a planning and reporting format that is acceptable to the joint donors, and which clearly indicates which donor's contribution has been used for what purpose.
- For the case that the project will have to make choices in times of constraints (time, budget, political), the mission proposes the following sequence of priorities among components with regard to the EC's contribution:
 1. Completion of all commitments in Community Empowerment, with full implementation of mission recommendations regarding adjustments and quality insurance.
 2. Implementation of activities complementary to Community Empowerment like community-oriented economic development (youth employment, marketing, product development), community institutional capacity building, exchange visits
 3. Implementation of activities complementary to Community Empowerment at higher levels, i.e. ICB
 4. Confidence Building regarding long-standing issues, i.e. dialogue, land, forestry, RR/IDP/ExC, elections,
 5. Education, minority rights and culture
 6. Study tours, awards and incentives
 7. Health, disaster management

In other words, it should be most negatively evaluated if community empowerment commitments can not be completed, while the omission of study tours and incentives programs will not be considered as a serious set-back.

Long-term donor commitment to the CHT is crucial for confidence building and development of the area, and the mission feels the EC should consider its commitment to be beyond Phase III. The mission feels that for the coming Phase III the proposed project, though a slightly reduced version from the project's own proposal, is still ambitious, but well feasible because of the individual components' relevance and mutual complementarity, and because of the CHTDF's achievements, strengths, and position in the area. The mission feels confident enough about its feasibility to recommend the project for funding.

Annex 1 Terms of Reference Evaluation & Formulation Mission

Recruitment of three experts to formulate the next phase of the EC intervention in the Chittagong Hill Tracts in Bangladesh based on a mid term assessment of the performance of the “Chittagong Hill Tracts Development Facility” project

1. BACKGROUND

EC, Government programming and policy

The present Country Strategy Paper (CSP) specifically targets the Chittagong Hill Tracts (CHT) as an additional area of intervention with an initial allocation of € 60 million for commitment in the period 2002-2006 to support peace building in the CHT after the signing of the Peace Accord in 1997. However the Mid Term Review (MTR) of the CSP and National Indicative Programme (NIP) 2003-2005 in May 2004 acknowledged that it would not be possible to support the programme at the level originally proposed in the CSP, since Government progress in implementing the conditions of the 1997 Peace Accord was insufficient to ensure absorption of such a level of funds. Nevertheless, in acknowledgement of the improved security situation and working environment, the MTR proposed an allocation of € 7.5 million for the support of the CHT Development Facility (CHTDF) project with UNDP, to be implemented under the NIP 2005.

The MTR moreover indicated a larger intervention (€15-20 million) for NIP 2006 for the CHT, identifying again UNDP as the preferred partner. The intervention would be formulated on the basis of an assessment of the 1st phase.

In this connection the MTR felt that UNDP was by far best placed to implement a programme of assistance to CHT, given its well-established presence in the region, the professional quality of its field staff and its good security coordination.

The Poverty Reduction Strategy Paper (PRSP) (Unlocking the Potential – National Strategy for Accelerated Poverty Reduction) addresses indirectly the issue of development of CHT in one of its four “Supporting Strategies” aiming at poverty reduction through ensuring participation, social inclusion and empowerment of different groups of people, including the indigenous population, into the development process. The PRSP while acknowledging poor participation of the Government and development partners in development activities in the area, recommends full implementation of the Peace Accord and encourages Government and donor intervention.

As a result of the GoB and development partners’ discussion on the PRSP, a “Consultation/Dialogue Meeting on the PRSP” with some forty Adivasi/Indigenous leaders from all part of Bangladesh was held in April 2005. The dialogue constituted an important step forward in relations between GoB and the Indigenous leaders for the genuine joint search for optimum ways in which the realities of the situation and the need of the Indigenous people can be reflected in the PRSP.

National Context

The Chittagong Hill Tracts (CHT) is a hilly, forested area in south-eastern Bangladesh which for many hundreds of years has been home to 11 groups of indigenous people. This indigenous population differ significantly from the rest of the population of Bangladesh in terms of their appearance, language, religion and social organisation.

Pressure for land to cultivate and backing from successive governments has led to the migration of large number of non-indigenous Bengali people to the CHT. Indigenous people have viewed the movement of Bengali settlers to the CHT as a threat to their way of life and their customs and traditions.

Armed rebellion in the Chittagong Hill Tracts began in mid-1970s and continued until a Peace Accord signed in 1997 ended the armed conflict, though human rights violations against the indigenous inhabitants which began during the armed conflict have continued on a smaller scale.

The Region has remained outside the mainstream of development also because of its geo-physical characteristics. In the past tentative development efforts were made to develop CHT and its peoples by GoB and donor agencies. A special five-year plan for CHT and establishment of three Hill District Councils were among these developments. But due to the then prevailing situation people could not realize the full benefits of the development efforts. The situation is becoming more favourable for carrying out development activities. In recent years GoB has taken up initiatives to bridge the gap by allocating some funds in the Annual Development Programme to gear up development of CHT while the donor community have stepped up their support for development effort in the area.

In 2002 there was a joint GoB/Donor Risk Assessment Mission in the CHT (led by UNDP), which concluded that the area was safe enough to start development activities. The mission concluded that the overriding development challenge in the CHT was the profound and pervasive poverty affecting the people of the CHT, rooted in and exacerbated by factors such as: the scarcity of cultivable land; low levels of education and health; weak development institution; high unemployment; and low incomes.

The institutions responsible for addressing these issues i.e. The Ministry of CHT Affairs, the CHT Regional Council, the Hill District Councils, the traditional Circle Chiefs system and the CHT Development Board, which form an unique administrative set up for Bangladesh, are all currently challenged with low development capacities and, due to a high degree of opacity in central policy, with a considerable degree of ambiguity as to their respective authorities and mandates.

In spite of these difficulties and impediments to development, there is a strong common commitment of both the people and the institutions of the Hill Tracts to see a full scale resumption of development assistance and to participate in a reinvigorated development effort in the region. There is also a clear consensus that poverty reduction is the overarching goal of development, and that it might be best pursued through small-scale, community initiated development activities that are supported by effective development institutions.

UNDP programme and the EC funded CHTDF

The UNDP programme, at a cost of US\$ 50 million is intended to build on and expand the work carried out during a Preparatory Assistance phase (2003-04) with particular focus on the following major areas: a) Build capacity and enhance the roles of CHT institutions support of grassroots and multi-community development; b) Programme and implement regional/cross-community development initiatives; c) Institutionalize the community empowerment process for self-reliant development to support Para Community Small Projects across the entire CHT; d) Facilitate confidence-building to solve long-standing issues and problems to development and sustainability; e) Enhance operational infrastructures and capacities to support development , confidence-building and donor coordination. The Technical Appraisal for Project Proforma (TAPP) for the joint GoB/UNDP programme received approval from the most relevant offices of the Government of Bangladesh in April 2005. However to date, apparently because of some bureaucratic hold-up, the UNDP Prodoc is still waiting for its final and definitive clearance by the GoB.

The EC funded CHTDF project corresponds to the second phase of the three-phase UNDP programme, which consists of a "Preparatory Assistance Phase" (2003-2004; largely focused on establishing logistics, organizing community empowerment approaches, and ground work for institutional capacity building), "Second Pilot Phase" (2005-2006; the CHTDF project) and a "Fully-Fledged Programme" (planned for 2006-2009). The Contribution Agreement with UNDP for the implementation of the CHTDF was signed in August 2005 but with starting date of activities in January 2005. The duration of the project is eighteen months until June 2006. The NIP 2006 indicating UNDP as the preferable partner of the EC in the region suggests involvement in the "Fully-Fledged Programme".

2. DESCRIPTION OF THE ASSIGNMENT

(a) Beneficiaries

The direct target group will be the poor communities (Indigenous and Bengali). In working with UNDP, the selection of the beneficiaries would be organized at local level leadership and according to criteria included in the “Community Empowerment Guidelines” of UNDP. Selection criteria include involvement in any IGA/regular safety net scheme by GoB/NGOs, living conditions and food insecurity, villages’ accessibility, women-headed households. This group represents about 60% of the entire population.

Final beneficiaries are the entire population of the Region especially the Indigenous Population of CHT which consist of 11 different groups with own languages and culture. Implementing Partners like local NGOs and CHT institutions will also benefit from the programme.

Project partners will be the implementing agencies (in particular UNDP) and the official and traditional local institutions i.e. CHT Regional Councils, HD Councils, Deputy Commissioners’ offices, Circle Chiefs, Upazila Parishads, CHT NGO Forum.

Overall stakeholders include the GoB mainly represented by Ministry of CHT Affairs, Army and other armed forces, Member States, other donors.

(b) Objectives

Global objective

The overall objective of the intervention in CHT according to the NIP 2006 is to promote peace and conflict resolution by facilitating the implementation of the Peace Accord to the newly established CHT institutions and by enhancing a development agenda based on the principles of self-reliance, decentralized development and sustained peace. At the same time, there is an urgent need to create conditions for the improvement of the social and economic living conditions of the poor and weaker across the region.

Specific objectives of the mission

The mission will contribute to the global objective by proposing (through assessing different feasible options) and formulating the next intervention of the Commission in CHT. The work will start with a mid-term evaluation of the ongoing EC funded project implemented by UNDP which will be the base for formulating the proposal.

Scope of the formulation mission

With the support of EC staff from the Dhaka Delegation, and in close cooperation with UNDP’s CHTDF team the experts will accomplish the following tasks:

- Verify the relevance in addressing the existing problems, efficiency, effectiveness, impact and sustainability of the ongoing intervention, and assess the programme progress against given indicators
- Analyse the target group, beneficiaries and stakeholders benefiting from the action. If they are clearly identified, analyse how they are affected by the project, their expectations, links and cooperation
- Analyse the context and social/cultural/political factors that influence the development of the intervention during implementation, managerial capability (potential and deficiencies) of the

implementing partners (Local institutions, NGOs, UNDP) to undertake the activities with success and to adapt to possible emerging problems

- Analyse the risks and assumption and the relation with socio-cultural norms and attitudes and measures taken to ensure equitable (including gender) distribution of benefits
- Examine the involvement of other donors/institutions active in the Region, and prepare a synoptic framework of the development partners' area of activities, their objectives, expected results achieved to date, activities and impact. Assess also possible overlapping and potential for harmonization of interventions in the region.
- The evaluation, taking into consideration the main recommendations of the "Quality Support Group" review, shall assess different but realistic and feasible options of implementation for the achievement of the overall objective of the intervention, and identify possible reorientation or the programme, provide recommendations and set the base for the formulation of the next phase of intervention including its justification (for both acceptance and refusal of other options), outline of activities and resource schedules and the institutional structure, stipulate the responsibility of various body, project timing, estimated cost per budget item.
- Conduct a cost-effectiveness analysis to assess whether the project represents the most efficient and effective way to address the needs of the beneficiaries. If appropriate, suggest alternatives and/or changes to project design/activities/outputs/implementation structures.

The mission shall also:

- Finalize a detailed Logical Framework Matrix included of indicators operationally measurable in terms of quality, quantity, target groups, time, place etc.
- Prepare a financing proposal according to the EC standard templates
- Prepare any other official document required in case other options are proposed (i.e. Financial Agreement).

(c) Expected outputs

The formulation mission will deliver a Draft Report, Logical Framework Matrix and draft Financing Proposal, within seven days of completing the fieldwork. The draft report will contain an evaluation of the current EC funded project implemented by UNDP, together with recommendations for EC funding under NIP 2006. The draft Financing Proposal, reflecting the recommendations stated in the report, with appropriate annexes, shall be a separate document.

The Commission should comment on the draft documents within 14 days. The final report and documents will be delivered 5 days after receipt of the Commission's comments.

(d) Approach and Methodology

The mission will start with a one-day briefing in the EC Delegation Dhaka. The Commission will make available all relevant materials to the team. The Experts will liaise closely with the UNDP CHT Development Facility's team in Dhaka and in the project area.

The consultants will be responsible for the secretarial and any logistical arrangements and the related costs (including, travels, stationary, photocopies etc.) for all consultations with stakeholders, for the organization of any workshop and any work related to this contract. During their mission in Bangladesh, the experts will, on some occasions be accompanied by the Commission's officials.

During contacts with the Bangladeshi Authorities or any other organizations, the experts will clearly identify themselves as independent consultants and not as official representatives of the European Commission.

The working language for the entire mission will be in English. All communication and documents related to this mission and projects are to be in English and made available in hard and electronic copies.

3. EXPERTS PROFILE

To be in position to fulfill the objectives of the mission, the team of experts will be composed as follows:

a) Team Leader (EU expert Category 1):

The person should have the following educational background and professional experience:

- Higher University degree in Political/Social Science related disciplines preferable with a specialization in rights of minorities especially indigenous population
- A minimum fifteen years of professional experience in international cooperation projects, of which 10 years will be working on the rights of indigenous population and/or national reconciliation in a post conflict area, preferably in Asia
- Experience in sector reviews and assessment and programme preparation according to EC procedures.
- Excellent communication skills, written and spoken English
- Must have the nationality of one of the EU member states

The Team Leader will have the overall responsibility of the mission, supervise and coordinate the work of the different team members, ensure the quality of the deliverables, and timely delivery of those. In particular, the Team Leader will be responsible for assigning, if necessary, specific parts of the requested services amongst him/her and team members.

b) Expert (Category 2):

The person should have the following educational background and professional experience:

- University degree in Political Science preferable with a specialization in international co-operation in South Asia
- A minimum of 10 years experience in working with international and national institutions (esp. UN agencies, local government, NGOs) in the field of rights of vulnerable people and/or minorities
- Experience in sector reviews, evaluation, technical and financial (cost effectiveness analysis) assessments, programme preparation and knowledge of EC procedures (PCM, especially related to identification, formulation phase), and in preparation of similar interventions.
- Experience in Bangladesh is highly desirable
- Excellent written and spoken English; knowledge of Bengali would be an asset
- Must have nationality of one of the EU member states

c) One Local Expert (Category 2):

This expert should have the following expertise:

- University degree in social science with a minimum of 10 years of professional experience in the field of social development in Bangladesh

- Extensive knowledge of the sector - National Policy adopted by Bangladesh on CHT and in the field of Human Rights. Also to be informed of Bangladesh's position concerning relevant international agreements, conventions and protocols
- A minimum of five years experience of working on human rights and protection of vulnerable groups and/or social exclusion
- Extensive knowledge of central and local government structure, Non-Government Institutions, socio/cultural issues especially related to indigenous people
- Excellent communication skills
- Excellent written and spoken English and Bengali.
- Must have the nationality of Bangladesh

The Local Expert should second the Team leader in other aspects of the intervention

4. LOCATION AND DURATION

Starting date

The assignment of experts should start in mid January 2006

Finishing date

The programme should be finalized by March 2006

Schedule and number of days for the assignment per expert

Experts	Mission Stage	Location	Days
EC experts	International Travel	Europe/Bangladesh/Europe	2
All experts	Briefing	EC Delegation - Dhaka	1
All experts	Consultations, including field visits, stakeholder meetings, workshops etc.	Bangladesh, CHT	35
All experts	Preparation and delivery of draft final report, logical framework and financing proposal	Dhaka	7
All experts	End-of-mission report briefing	EC Delegation - Dhaka	1
	Commission comments on draft within 14 days		
EC team leader	Incorporation of EC comments and submission of final documentation	Consultant HQ	5
Total calendar days of EC Expert – Team leader			51
Total calendar days EC Expert			46
Total calendar days Local Expert			44
Total days (calendar)			141

The mission will be fully responsible for managing a calendar of appointments, availability of transport and other logistical needs (security clearance is necessary to travel in Chittagong Hill Tracts), including translation works as well as renting venue for the workshop or other formal meeting with stakeholders. To suit traditional Bangladeshi hospitality, these events should preferably be accompanied by some catering arrangement (*lunch, or tea and coffee breaks or lunch in case of all-day-long event*) for which funds will be foreseen in the contract.

Work will be carried out either in Dhaka and in the Chittagong Hill Tracts; therefore it may be wise to ensure the travel budget is sufficient to cover travelling in that region.

5. REPORTING

All reports of the mission will be prepared in English:

- a) The work plan for the mission will be submitted to the EC Delegation to Bangladesh for comments within 4 days of arrival in Dhaka
- b) The draft report and financing proposal will be submitted to the EC Delegation for comments by day 43 of arrival in Dhaka. Separate annexes of the final report will record the itinerary of the mission, the persons met and the institutions they represent, as well as summaries of the various meetings and views expressed
- c) The Experts will continuously exchange information with the EC Delegation and a meeting preferably on weekly basis, will be arranged in the Delegation
- d) The final report, logical framework matrix and financing proposal with incorporated the comments received will be delivered within 5 days of receiving the European Commission's comments. It will be submitted in 2 bound copies to EC Delegation in Dhaka, to the attention of Mr. Fabrizio Senesi, Economic Cooperation and Governance Section Road 84 Plot 7, Gulshan, Dhaka 1212, Bangladesh and 1 copies simultaneously sent by express courier to Mr. Samuel Cantell the European Commission EuropeAid Co-operation Office, Unit D/1; Rue de la Loi 41, Brussels 1049 Belgium.
- e) An electronic copy of all files and documents will be transmitted by e-mail, simultaneously with the submission of the draft and final documents to the EC Delegation DELEGATION-BANGLADESH@cec.eu.int and to fabrizio.senesi@cec.eu.int and to the EC headquarters, samuel.cantell@cec.eu.int. The final report will also be provided on a CD-ROM to the EC Delegation to Bangladesh, to the attention of: Mr. Fabrizio Senesi

6. IMPORTANT REMARK

The EC considers fees, per diems, plane tickets and reimbursables as eligible costs. The following are considered as eligible reimbursable costs: support personnel (secretary, driver, etc.); reproduction and translation of documents (photocopies, copies on CD ROM's); consumables and supplies directly attributable to the action; rental of workshop premises; provision of food and refreshments for workshops; car hire or other means of transport inside Bangladesh; travel. All other costs will be considered ineligible.

All documents and papers produced by the consultants, including presentation and Final report, will clearly mention on its first page a disclaimer stating *"This report has been prepared with the financial assistance from the European Commission. The views expressed herein are those of the consultants and therefore in no way reflect the official opinion of the Commission"*.

Annex 2 EC Proposal Evaluation Grid

II. EVALUATION GRID

1. Financial and operational capacity	Score
1.1 Do the applicant and partners have sufficient experience of project management ?	/ 5
1.2 Do the applicant and partners have sufficient technical expertise ? (notably knowledge of the issues to be addressed.)	/ 5
1.3 Do the applicant and partners have sufficient management capacity ? (including staff, equipment and ability to handle the budget for the action)?	/ 5
1.4 Does the applicant have stable and sufficient sources of finance ?	/ 5
Total score:	/ 20
2. Relevance	Score
2.1 How relevant is the proposal to the objectives and one or more of the priorities of the call for proposals? Note: A score of 5 (very good) will only be allocated if the proposal specifically addresses at least one priority .	/ 5
2.2 How relevant to the particular needs and constraints of the target country/countries or region(s) is the proposal? (including avoidance of duplication and synergy with other EC initiatives.)	/ 5
2.3 How clearly defined and strategically chosen are those involved (intermediaries, final beneficiaries, target groups)?	/ 5
2.4 Have the needs of the target groups proposed and the final beneficiaries been clearly defined and does the proposal address them appropriately?	/ 5
2.5 Does the proposal contain specific elements of added value , such as innovative approaches, models for good practice, promotion of gender equality and equal opportunities, environmental protection?	/ 5
Total score:	/ 25
3. Methodology	Score
3.1 Are the activities proposed appropriate, practical, and consistent with the objectives and expected results?	/ 5
3.2 How coherent is the overall design of the action? (in particular, does it reflect the analysis of the problems involved, take into account external factors and anticipate an evaluation ?)	/ 5
3.3 Is the partners' level of involvement and participation in the action satisfactory?.	/ 5
3.4 Is the target groups' and final beneficiaries' level of involvement and participation in the action satisfactory?	/ 5
3.5 Is the action plan clear and feasible?	/ 5
3.6 Does the proposal contain objectively verifiable indicators for the outcome of the action?	/ 5
Total score:	/ 30
4. Sustainability	Score
4.1 Is the action likely to have a tangible impact on its target groups?	/ 5
4.2 Is the proposal likely to have multiplier effects ? (including scope for replication and extension of the outcome of the action and dissemination of information.)	/ 5
4.3 Are the expected results of the proposed action sustainable : - financially (<i>how will the activities be financed after the EC funding ends?</i>) - institutionally (<i>will structures allowing the activities to continue be in place at the end of the action? Will there be local "ownership" of the results of the action?</i>) - at policy level (where applicable) (<i>what will be the structural impact of the action — e.g. will it lead to improved legislation, codes of conduct, methods, etc?</i>)?	/ 5
Total score:	/ 15
5. Budget and cost-effectiveness	Score
5.1 Is the ratio between the estimated costs and the expected results satisfactory?	/ 5
5.2 Is the proposed expenditure necessary for the implementation of the action?	/ 5
Total score:	/ 10
6. Total score and recommendations	Score
TOTAL :	/ 100
Recommendations:	
Selected:	

Annex 3 Mission Itinerary and Persons Met

Jan	Activities, persons met
23	EC-BD: Fabrizio Senesi (Program Officer), Nick Taylor (1 st Secretary); CHTDF-Dhaka: Michael Heyn (Director), Kirti Nishan Chakma (Deputy Director), Wouter Dol (UNDP)
24	Study documents CHTDF-Dhaka
25	CHTDF-Dhaka: Jainab Aktar (Project Officer); M. Heyn; logistics Ministry of CHTA: Minister Moni Swapan Dewan
26	EC-BD: F. Senesi Travel: Dhaka - Chittagong - Rangamati
27	CHTDF-Rangamati: Biplob Chakma (QIF-Administrator); document study Regional Council: Rupayan Dewan (Councillor-CHTRC)
28	CHTDF-Rangamati: Mong Yai (Planning & Monitoring Officer), B. Chakma; document study RDA: Ripon Chakma (Executive Director) & board members
29	CHTDF-Rangamati: Md. Mahbub Alam (SMS); Heli Uusikyla (Field Manager), Mong Yai, Biplob Chakma
30	Kengrachari & Belaichari Unions, Belaichari Uz: Dhebachari (present 10 women, 12 men); Hajachara (14w+10m); Seloschari (9w+12m, Chakma).
31	Bhandukbhanga & Jibtali Unions, Rangamati Sadar Uz: Hajrachari (16w+12m, Tanchangya); Jibtali (17w+9m, Chakma); Kukipara (11w+10m, Chakma); Lekhongchara (13w+15m, Chakma).
Feb	
01	Travel: Rangamati - Bandarban CHTDF-Bandarban: U Tin Htun (IUNV), Khushiray Tripura (Program Officer) & team.
02	District Coordination Meeting (6 NGO- CEOs, 6 UPCs) & 6 NUNV DDAE: Md. Shahidulla Sarkar (Deputy Director Agriculture Extension) UzLS: Altab Hossain, Upazila Livestock Officer: Bohmong Chief: Aung Sue Prue Chowdhury
03	Study documents
04	Thanchi Union, Thanchi Uz, Bandarban: Preyosingh Para (Mro, 12w+10m); Owak-Chaku Para (Mro, 7w+15m); Amtali (Marma/Bengali, 12w+9m); Taracha & Rowangchari Unions, Rowangchari Uz: Tang Prue Para; Shoanlu Para; UnFC Sadar
05	Thanchi: Toymu staff (8); BNKS staff (10), UnFC Thanchi Sadar (7). Thanchi and Bolipara Unions, Thanchi Uz, Bandarban: Sadhu Josephpara (Tripura, 9w+8m); Hoitonpara (Khumi, 7w+5m); Hindupara (Bengali Hindu/Muslim, 19w+5m); Thankabati & Kuhalong Unions, Bandarban Sadar Uz: Parang Para; Nutan Charui Para; Kuhalong UnFC
06	HDC-Ban: Ms. Mya Ma Ching (Chairperson, Hill District Council), Deputy Commissioner: Sheikh Alauddin New Partner NGOs: 3 CEOs MSF: Akke Boere (Coordinator, MSF); Bawm Social Council : Zuan Lian Amlai (Chairperson); MROCHET and Sualok Union: Rang Lai Mro (Chairperson)
07	Travel : Bandarban - Khagrachari CHTDF-Khagrachari: Rob Stoelman (IUNV).
08	Guimara, Baranal & Belchhari Unions, Matiranga Uz, Khagrachari: Chowdhury para (16w+13m, Marma); Rabi Sundar Para(13w+16m); Alek Chairman Para; Ripruchari Headman Para; UnFC & UzST Matiranga (9).
09	Latiban, Chengi and Panchari Unions, Panchari Uz, Khagrachari: Brisha Mohanpara (9w+27m, Chakma); Basa Kumarpara (22w+34m, Tripura); Lendia Para; Saontal Para; joint UnFCs Panchari (12); Upazila Nirbahi Officer; Mohammad Mallek (Chairperson, Latiban Union Parishad).
10	Drafting conclusions
11	CHTDF-Khagrachari: Joint Staff-NUNVs-NGOs meeting; Deputy Commissioner: Md. Humayan Kabir; Social leaders: Binoy Bala (ANANDO), Ajoy Kumer Mitra (Proshika), Tarun Bhattacharya (Daily Ittefaq), Samiran Dewan (Refugee Task Force); CARE: Sumita Chakma (Technical Officer); NGO-Women: Shefalika, Chapladevi, Juganta, & Khagendra

	Tripura (KNKS), Rupna Acharjee & Lakhi Rani Das(ANKS), Nupur Chakma (WFP), Poppy Tripura & Roshaita Khisa (Zabarang), Gitika Tripura (Trinamul)
12	Khagrachari: Drafting presentation/conclusions
13	Travel: Khagrachari - Dhaka by road
14	CHTDF: Presentation CE draft conclusions to CHTDF & EC: Michael Heyn, Kirti Nishan Chakma, Heli Uusikyla. Niaz Ahmed Khan, Fabrizio Senesi, Nick Taylor; ICB Logframe: Niaz A. Khan, Azizul Haque
15	(Hartal) EC: CE & CB briefing/logframe with M.Heyn, K.N. Chakma, Jainab A., F.Senesi
16	CHTDF: RWI briefing & logframe with M.Heyn, K.N.Chakma, Avilash Tripura, F.Senesi
17	Dhaka: Workplan Exercise
18	Dhaka: Logframes and reporting
19	CHTDF: Continued logframe and planning exercises ICB (N.A.Khan, A.Haque)), RWI (A, Tripura), CB (Jainab A.), overall (M.Heyn)
20	CHTDF: Logframe/planning Exercise, NORAD: Kristian Jervell
21	Dhaka: CB and RWI logframe/planning (K.N.Chakma)
22	Travel : Dhaka - Rangamati (by air); CHTDF : H.Uusikyla
23	Rangamati: CHTDF presentation and cross-checking: H. Uusikyla, M. Yai, B. Chakma; CARE: AungChow Hla (Project Coordinator); CHTRDP-ADB/LGED: Debadatta Khisha (Project Director) & Byeong Ho Cheong (Team Leader)
24	Rangamati: Report writing
25	Rangamati: Report writing Travel: Rangamati - Chittagong
26	Chittagong: Report writing
27	Chittagong: CHTDF-Quarterly Coordination meeting: Evaluation presentation; report
28	Chittagong: Report writing Travel: Chittagong - Dhaka (by air).
Mar	
01	CHTDF-Dhaka: Briefing non-CE: Michael Heyn, Niaz Ahmed Khan, Azizul Haque, Jainab Aktar; EC-Dhaka: Briefing Fabrizio Senesi.
02	Hartal, Dhaka: draft evaluation report; CB planning (K.N.Chakma)
03	Draft evaluation report, logframes
04	Draft logframes and Evaluation Report.
05	Draft financial report , CHTDF: logframes, plans & budgets. TCEP-Koinonia: Denis D. Dutta (Director) & Nelson N. Sarkar (Coordinator); EC-Dhaka: N.Taylor, F.Senesi
06	Corrections draft Evaluation Report, logframes, Financial Proposal, CHTDF plans and budgets.
07	Dhaka- EC: Debriefing CHTDF, Finalising final draft report, Debriefing: F.Senesi.
08	Departure international consultants

Annex 4 CHTDF- TIME LINE

Year	Key Events (Agreement, Commitment, Progress)	Expense	Donors
2002	1. UNDP's program launched after studies by ADB and its presence created a platform for substantive development interventions.	-	
	2. Risk Assessment in CHT supported by UNDP		
2003-I	3. CHTDF became operational since April, 1003.		UNDP
	4. UNDP provided Euro 1.27m.	US\$ 1.28m	
	5. QIF (Agreement signed with AUSAID for US\$ 85,446/ Euro 55,000. Implemented during 2 nd phase due to delayed transfer of fund).	-	AUSAID
	6. QIF (USAID grant received against GO for US\$ 3.2m. Expenses made in 2004 & 2005).	-	USAID
2003-II	7. Mahalchari incident (Aug 26 th): 9 hill tribes villages attacked and 433 houses destructed. ECHO & UNDP supported for rehabilitation in 2004.		ECHO-UNDP
2004-I	8. (Open) grant agreement signed with NORAD for US\$ 1.44m	-	
2004-II		US\$ 3.60m	USAID, UNDP
2005-II	9. EC and UNDP sign agreement in August 2005 for \$7.5m		
	10. Obtained Govt. approval on CHTDF in Dec.'05		
	11. EC contributed Euro 3,836,226 for CE & QIF against Euro 7,400,000/ committed.	US\$ 4.028m	NORAD, UNDP, EC, AUSAID
2006-I	12. Ten community centers to be supported by Japan	US\$ 70,000	Japan

Source: CHTDF

Annex 5 Monitoring System

A. A monitoring system that can empower communities

Step	example
1. Initial PRA exercise : communities identify and rank their own set of problems (per sub group : VG, women ..)	waterborne diseases, poor educational level, low agricultural income
2. PRA : Communities define their objectives per sub group	less incidence of disease, all children enrolled, higher income
3. PRA : Communities draw action plans including <ul style="list-style-type: none"> - Community input , with roles and responsibilities - external expected inputs, - CFs role, level and timing of funds 	<ul style="list-style-type: none"> - Sub committees will.... each household will... - Technical support to draw from private and public sector - NGOs assistance for : bridging with line departments in... - Disbursements by UNDP, Households
4. Sub committees monthly monitor results and report to PDC and all community members with PRA tools compare with objectives as per fruit trees or other tool	Number of sick children , profit made and distributed, children enrolled
5. Sub committees monthly assesses effectiveness of actions taken by each stakeholder , including NGOs and UNDP, report to PDC with PRA tools 6. PDC takes corrective measures and revise action plan accordingly	Has technical support been provided in due course, Have technical training sessions provided sufficient skills to sufficient number of people ?

Note 1 : Elaborated PRA tools and methods exist for all these activities for several decades, they should be easily adapted by CARE

Note 2 : Facilitation skills which have already been imparted to PNGOs staff last year can be used for PRA monitoring.

B. Simple monitoring matrix for Community Empowerment

Type of data	Example	What use	Which user	Example of procedure	Who collects
Activities and deliverables	n. of PDCs formed, staff trained, QIF disbursement	Financial planning, workplan, recruitment plan	QIF administrator Program officer Finance manager Facilitation committees ?	Monthly districts coordination meetings	PNGOs, UNVs, QIF assistants
Immediate Results quality	How CFs apply their PRA training in the field, How PDCs follow the guidelines How Line Departments provide support	Take measures if and when necessary to improve operational efficacy	Program officer, CARE, NGOS, Facilitation committees	Systematic post training assessments and follow up	CARE and PNGOs EDs. Communities if this is in their own monitoring plan
Results as per empowerment objective	% of PDCs who know and understand their rights % of women / men who use new skills	Identifying areas where supplementary / alternative action must be taken	CHTDF field and Dhaka officers, Donors if changes in the logframe are needed	Six monthly survey in each PDC of results indicators as per logframe With interactive methods	CFS, NUNVS
Results against purpose	Does the power gained by communities contribute to <i>Improve Socio-economic development of CHT?</i>	Monitor and try to influence external factors / assumptions : political environment	CHTDF field and Dhaka officers,	On going review of reports from all components and formal / informal negotiations	

Note: Reports to donors should include summaries on progress made at all, with a focus on Results as per empowerment objective

Annex 6 Component Budgets

(as proposed by CHTDF on 5-7 March 2006)

Annex 7 CHTDF Logframes

Annex 8 Financing Proposal

Annex 9 Gender Assessment

Annex 10 Environmental Assessment