

M. MONITORING EVALUATION AND LEARNING

The Monitoring, Evaluation and Learning (ME&L) System for the project has been designed to work in conjunction with the capacity building and communication components of the project.

M.1 Objectives

1. The main objective of monitoring, evaluation and learning component of the project are:

- To support information gathering and analysis to the project management and other stakeholders on the quality of project implementation so as to facilitate appropriate and timely project decisions;
- To institutionalise a learning mechanism and set up social accountability mechanisms and systems; and
- To assess the outcomes and impact of the project vis-à-vis the objectives.

The guiding principles in designing ME&L System are:

- Only relevant information required for the decision making process is generated
- There is involvement of all stakeholders in the process to ensure quick feedback and link it with the decision making process and
- Learning forums are created at various levels to continuously monitor the results on the ground and adjust and refine the model and approach as required

M.2 Components of ME & L

The ME&L system have the following components:

- **Setting up a Project Baseline-** for assessing the pre project conditions
- **Progress and Performance Monitoring** -MIS based input-output system to track the progress and performance against planned activities
- **Institutional Performance Tracking:** on qualitative aspects to assess the performances of the different village level institutions like VPRC, EAG, Federations against a set of Institutional Development Indicators (IDI).
- **Internal Learning-**
 - Participatory Monitoring, evaluation and learning:
Internal management review and learning group system (monthly review and planning and internal learning meetings and monthly reporting by the project staff at various levels, particularly at district, block, cluster and village level) and
 - Concurrent process monitoring:

to track the processes and verify the quality of project implementation on continuous basis (to provide leads and direction on the process of progress towards the achievement of the various end results of the project components)

- Impact evaluation- External impact evaluation involving mid-term review and impact assessment (by independent agency) for comparison of qualitative and quantitative outcomes before and after the project and between the project and control areas and
- Social accountability mechanisms and systems – to monitor the responsiveness and downward accountability of office bearers of the CBOs, service providers, project management etc.

The Table 13.1 summarizes the framework of ME&L System

Table 13.1 Framework for ME&L System

ME&L Components	Information collected on	Instrument	Type of data & Source	Frequency	Responsibility
Baseline	Determining pre project conditions to establish the net contributions of the project to the sustainable livelihoods of the targeted families “before” and “after” the project and “between” the project and control areas.	Baseline study A hypothesis document that would identify key hypotheses regarding demand for different types of project interventions by specific groups as well as the impact of such interventions and the methodology to measure them B, Sampling document- that would describe the methodology adopted for baseline survey including control and surveyed areas, justification for choosing samples and size of samples, weightage etc., C. Questionnaires for households, beneficiary self help local governments, groups and village leaders with retrospective questions wherever appropriate.	Quantitative and qualitative	Before project	External Consultants
Progress Performance Monitoring	Tracking progress against planned activities on inputs/outputs Measuring project progress on qualitative aspects, especially against key performance indicators..	Reports and review meetings based on : Aggregate and disaggregated data on geographic coverage, demographic coverage, coverage of vulnerable groups, project components, human resources, capacity building, services provided, number of SHGs/ EAGs/ VPRCs etc., are formed. 1. Pro-forma, Computerized MIS	Computerised MIS Quantitative Qualitative	Monthly . Half Yearly	VPRC/PFT to DPMU PFT-DPU-SPU

ME&L Components	Information collected on	Instrument	Type of data & Source	Frequency	Responsibility
Institutional Performance tracking	Measuring progress on CBOs	2. External Studies	Qualitative	Half yearly or annual	External
Internal learning – Participatory Monitoring, evaluation and learning and Concurrent Process and Learning	Engaging primary stakeholders in monitoring project processes and results: Project processes Verify the quality of the project implementation on a continuous basis to identify the processes through which the inputs converted into outputs, necessary action to increase efficiency etc.,	1. PML*-, formation of learning groups at all levels- village, cluster, district, state- Social accountability mechanisms 2.CPML**	Qualitative	1. Quarterly 2. Half yearly or annual	Internal External Consultants
Impact Evaluation	Project impacts and outcomes	Impact study with impact and outcome indicators as a point of reference to establish the net effect of the project	Quantitative & Qualitative	Mid term & Post project	External Consultants
Social Accountability	Performance including facilitation style of office bearers of CBOs, Service Providers	Community Score Card Gram Sabha/ Village Assembly meetings, social audit, display bulletin boards	Qualitative data	Some tools monthly, some half yearly some annually	CBOs / SAC facilitated by PFT

*Participatory Monitoring, evaluation and learning
evaluation and learning

**Concurrent Process Monitoring,

Data, information, instruments frequency and responsibility would be refined over the life of the project as information needs emerge and as capacities and systems to undertake different monitoring activities developed

Baseline: The objective of baseline is to establish the net contribution of the project to the sustainable livelihoods of the targeted families “before” and “after” the project and “between” the project and control areas. The baseline will consist of:

- A **hypothesis document** for identifying key hypotheses regarding demand for different types of project interventions by specific groups and the impact of such interventions and the methodology to measure them;
- **Sampling document** for describing the methodology adopted for baseline survey including control and surveyed areas, justification for choosing samples and size of sample, basis for weights, etc.; and
- **Questionnaires** for households, beneficiary local governments, and village leaders with retrospective questions wherever appropriate.

An external agency would be contracted to undertake the baseline survey. The agency selected needs to have required capacity and experience to design,

implement and analyse large scale surveys. The Terms of Reference for the Agency and the framework for the Baseline study are presented in **Attachment M.1**.

Progress and Performance monitoring: The objective of progress and performance monitoring are:

- To track progress against planned activities on inputs/outputs at frequency
- To assess the service standards and resource accountability;
- For validating project hypotheses for achieving project development goals.

Progress monitoring – This will track project progress against the planned activities on a monthly basis. This will be mainly the numbers of either initiation or completion activities. Computerized Management Information System (CMIS) will be established which will do the necessary processing of primary data once entered and make it available to all levels of project management in the analyzed form and also in aggregated and disaggregated form by operational unit of management. The CMIS will be Web based and can be accessed at all levels of project management including the World Bank. This data would be used for periodic review of project progress at the cluster, district and state level and will serve the purpose of reporting by the project to the GoTN, GOI and the World Bank.

Performance monitoring - Input/output monitoring is required to assess the service standards and for the resource accountability. The outcome tracking is mainly for validating project's hypotheses for achieving project development goal especially, against the key performance indicators. The progress or activity monitoring will be done through review meetings and pro-forma reporting. The data on the initiation and completion of activity would be collected for each component/sub-component. The performance monitoring against the key performance indicators will be done by an external agency on every six month, called *Six-monthly Performance Monitoring*. Also, the project would commission theme-based studies for detail understanding of the issues that might have been flagged or alerted by the M E&L system.

The ToR for developing the MIS for progress and performance tracking is given in **Attachment M.2**. The MIS formats for various levels have been developed and being used. The Quarterly Progress Reports (QPR) and Financial Monitoring Reports (FMR) are sent at the succeeding month of every quarter.

Institutional Performance Tracking: The objective of this component would be to assess the performances of the different project induced CBOs against a set of Institutional Development Indicators. The institutional performance tracking would be undertaken annually for all types of community institutions. The results of institutional performance tracking would be shared at all levels of project organizations. This would

trigger for special studies and designing/ redesigning of project inputs for institutional capacity building. Under the direction of State ME&L Specialist (SME&LS) the District ME&L Specialist will be responsible to accomplish this component on a timely basis with the help of the PFTs and other front line staff of the project. The PFTs and the front line staff would be trained to facilitate the process at the CBO level in a fashion that it becomes a learning experience for the CBOs for them to undertake corrective measures.

Internal Learning: Internal learning is crucial for the project to be responsive to the changing context of the project as it moves forward. The internal learning component of the ME&L system would consist of:

- Participatory Monitoring, evaluation and learning (PME&L)
- Concurrent Process Monitoring, evaluation and learning (CPML);

Participatory Monitoring, evaluation and learning (PML): The formation and institutionalization of Learning Groups (LGs) at different levels would be the key for internal learning to be effective. A four tier Learning Groups are envisaged involving stakeholders of the project at different levels. These LGs will be dovetailed within the existing institutional structures created for project management as detailed in Table 13.2.

Table 13.2 - Internal Learning through Groups

Learning Groups	Community Learning Groups (CLG)	Cluster Learning Group	District Learning Groups (DLG)	Institutional Learning Groups (ILG)
Level	Village	Cluster	District	State
Members	The Gramasabha including members of GP, VPRC, SHG, CIG, PLF and community at large	VPRC and PFT	DPU, PFTs and supporting resource agencies,	PD & SPU staff, consultants
Responsibility	SAC ¹ , with active support from the PFT Team	Facilitator - Accounts and Monitoring	District ME&L Specialist (DMLS)	State ME&L Specialist (SMLS)

¹ Social Audit Committee at the village level appears to be the right kind of mechanism to anchor PML process at the village level since their primary role, as envisaged in the project, is auditing /monitoring of the project activities at the village level.

Concurrent Process Monitoring, evaluation and learning (CPML): The monitorable issues on which project needs qualitative assessment can be broadly divided in to two categories:

- Project management and organisational development related issues like,
 - Staff recruitment and their capacity building
 - Staffing at different project management unit
 - Relationship between different levels of project management
 - Role clarity of staff, Sensitivity of staff towards the need of vulnerable group viz. poor, women, disabled, etc.
 - Sub-project proposal appraisal process

- Field implementation related issues like,
 - Business plan Proposal preparation, process of preparation of Livelihood plan
 - Inclusiveness in planning, execution and benefits sharing
 - Formation and institutional performance of GPs and other project induced CBOs viz. VPRCs, SHGs, EAGs, etc.

An external agency will be contracted to conduct CPML. The reasons for engaging external agency are: bringing in objectivity to the exercise, and deal with the constraints of lack of capacity of internal staff and avoiding biases in the findings that might come into play. The ToR for conducting process monitoring is given in **Attachment M.3**.

The CPML will be an ongoing process covering all districts along side the project implementation. The Monitoring, evaluation and learning study, which is undergoing currently will develop detail strategy including the sampling. The Specialist, ME&LS at SPMU will conduct an Institutional Learning Group (ILG) meeting at the state level once a quarter, in which he/she will make a presentation to the ILG, identifying issues emerging from CLG and DLG that need to be addressed at the state level. The follow up of the decisions/ action points made at the DLG meeting and the ILG will be done through Action Taken Report (ATR) submitted by the Asst. Project Manager, ME&LS at DPMU and the Specialist, ME&LS, SPMU to the District Project Manager and Project Director respectively, once in every quarter. Findings/learning coming out of all other initiatives like CPML, CBO performance monitoring, Community score card, Process learning through experience sharing or any other such initiatives being taken by the project to promote internal learning should be shared at these LGs quarterly depending upon the relevance of the subject to that level.

Impact Evaluation: Impact evaluation will involve comparing qualitative and quantitative outcomes before and after the project and between project and control areas. The impact and outcome indicators will be the point of reference to establish the net effect of the project. The impact evaluation would consider major assumptions to establish causal relationship between input, outputs and outcomes. The impact evaluation

study would require rigorous methodology and quality analysis. An independent agency, will be contracted for the impact study in control and project villages on sample basis and will undertake the following activities:

- Development of internal monitoring and review system;
- Preparation of tools & reporting formats;
- Capacity building of ME&L units at State and District level

Social Monitoring: The project will implement the social audit mechanisms and systems as elaborated in Table 13.3.

Table 13.3 Social Monitoring Tools and Mechanisms

Tools/ Instruments	Monitoring Whom	Monitoring What
Community Score Card	<ul style="list-style-type: none"> • VPRC and EAG Office Bearers • Service Providers • PFT, DPMU Members 	<ul style="list-style-type: none"> • Compliance with Vazhdhu Kaatuvom non-negotiable principles • Compliance with agreed performance standards • Village level financial and procurement related transactions • Meetings capacity building programs, guidelines, selection of beneficiaries
Social Audit Committee	<ul style="list-style-type: none"> • VPRC and EAG Office Bearers • Service Providers 	
Gram Sabha / Village Assembly Meetings	<ul style="list-style-type: none"> • VPRC and EAG Office Bearers • Service Providers • Sub committee members 	
Village Displays / Bulletin Boards	<ul style="list-style-type: none"> • VPRC and EAG 	

Models of Village Bulletin Boards have been detailed in COM book 2 Chapter 9.

Models of Self monitoring tools for VPRC has been detailed in COM Book 4.

M.3 Levels of Operation

The M E & L System will operate at four levels – village, cluster, district and state. The structure will enable information flow both horizontally and vertically and information will be made available across the system. In order to increase effectiveness of the M E & L system and reduce data redundancy, each level will be responsible for maintaining data at that level.

M.4 Monitoring, Evaluation & Learning System – Institutional arrangements

The institutional arrangements for implementing ME&L System of the project are summarized in Table 13.4.

Table 13.4 Institutional Arrangement for ME&L

Institutional Level	Agency / Person	Key Responsibilities
Village Level	VPRC, EAG, SAC	<ul style="list-style-type: none"> Collecting and analysing village level data and information on project implementation Preparing monthly progress reports and submitting it to DPMU through PFT Report progress and learning to Gram Sabha/ Village Assembly Set up and update village display boards / bulletin boards
Cluster Level	PFT Facilitator, Accounts and Monitoring	<ul style="list-style-type: none"> Building capacity of VPRC, EAG and SAC members on ME&L activities including social accountability monitoring Collect and consolidate cluster level village wise MIS reports Facilitate ME&L activities especially by external agencies at the village level Facilitate village level and cluster level interactive learning forums
District Level	DPMU Asst. Project Manager, ME&L	<ul style="list-style-type: none"> Train PFT members on ME&L Monitor ME&L activities at the village level Collect aggregate and analyse data at the district level Monitor compliance to service standards
State Level	SPMU Specialist, ME&L Specialist, MIS	<ul style="list-style-type: none"> Design and implement ME&L and MIS system for the project Facilitate training of district and PFT members on ME&L and MIS systems Monitor ME&L and MIS implementation Maintain databases at the state level Facilitate learning forums at district and state level Generate quarterly, half yearly and annual progress reports on project implementation

M.5 Key Monitoring and Results Indicators of the Project

The component wise key indicators for monitoring the process, output and financial level progress are summarized in Table 13.5. The key results indicators for monitoring the success of the project at the project closure is also incorporated.

Table 13.5 Component wise Key Monitoring Indicators

Name of the Component	Process Indicators	Output Indicators	Financial Indicators	Results Indicators
A. Village Livelihood Program				
A.1. Formation and Strengthening of Village Institutions	<ul style="list-style-type: none"> • No. of villages receiving initiation fund • No. of villages where PIP completed • No. of left out poor organized into SHGs • No. of Gram Sabhas and Village Assemblies organized for decision making the project 	<ul style="list-style-type: none"> • No. of VPRCs formed • No. of tribal VPRCs formed • No. of tribal sub committees formed • No. of SACs formed and made operational • No. of office bearers trained on project principles and roles and responsibilities 	<ul style="list-style-type: none"> • Amount of initiation fund released to villages 	<ul style="list-style-type: none"> • <i>Inclusion</i> • At least 70% of identified vulnerable population, example: disabled and tribals are organized into SHGs and have accessed special assistance fund • In at least 90% of CBOs poor/ultra poor women are occupying decision making positions
A.2.(i) VPRC Fund	<ul style="list-style-type: none"> • No. of VPRC Plans prepared • No. of left out poor undertaken by SHGs • No. of exposure visits undertaken • No. of VPRC offices set up • No. of persons undergone skill development • No. of COM training undertaken • No. of technical assistance for Business plan Proposal preparation • No. of VPRCs maintaining books of accounts • No. of villages where bulletin boards set up • No. of disabled organized into groups 	<ul style="list-style-type: none"> • No. of VPRC Plan approved in Gram Sabha • No. of VPRC Agreements signed • No. of VPs accessing each instalment of VPRC Fund • No. of SHGs of the identified poor linked to banks • No. of disabled receiving assistance 	<ul style="list-style-type: none"> • Amount of VPRC Fund released • Amount of Seed Funds granted • Amount of credit extended by banks 	<ul style="list-style-type: none"> • At least 80% of the CBOs (VPRCs, SHGs, VPs and Federations) have accessed and managed project funds • At least 70% of all VPRCs and other CBOs supported by project are independently rated as good in a classification of good, average and poor • At least 70% of the individuals trained have secured gainful employment or have started and successfully running business. • At least 70% of the identified vulnerable/ disabled are organized into SHGs and have accessed special assistance funds • At least 70% of the SHGs/ EAGs of the poor have accessed funds through linkage with banks and other financial resources

Name of the Component	Process Indicators	Output Indicators	Financial Indicators	Results Indicators
A.2.(ii) Livelihood Fund	<ul style="list-style-type: none"> No. of villages completing resource analysis and opportunity identification No. of Business plan Proposal prepared No. of Business plan Proposal appraised 	<ul style="list-style-type: none"> No. EAG financing agreement signed No. of market linkages established and functioning No. of Business plan Proposal implemented as per approved Sub-project Proposal and following key project principles No. of disabled and most vulnerable receiving benefits from Business plan Proposal 	<ul style="list-style-type: none"> Amount of Livelihood Funds released to EAGs Amount of equity mobilized by EAGs Amount of profit sharing by members of EAG 	<ul style="list-style-type: none"> At least 70% of the eligible households and 70% of the very poor and tribal households have benefited by the Livelihood Fund through Sub-project Proposals. At least 80% of the EAGs of the target poor and tribal have accessed funds through linkage with banks and other financial institutions.
A.2.(iii) VP Incentive Fund	<ul style="list-style-type: none"> No. of proposals received for Incentive Fund, processed and no. qualified No. of evaluations conducted for release of second instalment 	<ul style="list-style-type: none"> No. of VPs accessing second instalment of Incentive Fund 	<ul style="list-style-type: none"> Amount of Incentive Fund released to VPs 	<ul style="list-style-type: none"> At least 30% of total VPs have accessed both instalments of Incentive Fund
A.2.(iv). Para-professional and Federation Development	<ul style="list-style-type: none"> No. of Para-professionals undergoing on the job training No. of EAGs/SHGs forming Federations No. of technical support given to Federations 	<ul style="list-style-type: none"> No. of Para-professionals identified and developed No. of Federations implementing Sub-project Proposals and become enterprises 	<ul style="list-style-type: none"> Amount of support given to Federations Average amount of earnings by Para-professionals 	<ul style="list-style-type: none"> At least 15% of cluster based EAGs are federated and functioning as financially viable business enterprises.
B . District and State Support for Village Livelihood Program	<ul style="list-style-type: none"> No. of exposure visits organized No. of resource institutions and resource persons identified, oriented and networked No. of training programs, workshops organized No. of revisions of training modules 	<ul style="list-style-type: none"> No. of officers at state, district and PFT levels engaged in project implementation No. of linkages functioning 	<ul style="list-style-type: none"> Amount of expenditure under capacity building, Monitoring, evaluation and learning and linkages 	<ul style="list-style-type: none"> At least 70% of VPRC and EAGs receive support for livelihood plans in accordance with agreed service standards conducted through Report Card At least 70% of EAGs working in partnership with private sector organizations or other institutions

Name of the Component	Process Indicators	Output Indicators	Financial Indicators	Results Indicators
B . District and State Support for Village Livelihood Program	<ul style="list-style-type: none"> No. of evaluations of capacity building programs No. of market linkages established No. of innovation fund tested No. of report card / community score cards feedback set up No. of village bulleting boards et up No. of interactive learning sessions held at village, cluster, district and state level 	<ul style="list-style-type: none"> No. of new technologies ready for scaling up No. of baseline report set up No. of evaluations and reviews conducted No. of process monitoring reports finalized No. of annual reports on project implementation 		
C. Project Management	<ul style="list-style-type: none"> No. of SPMU personal recruited No. of DPMUs functioning with full contingent of team members No. of PFTs functioning with all members 	<ul style="list-style-type: none"> No. of DPMUs fully established No. of PFTs fully established Percentage of staff turnover within one year of recruitment 	<ul style="list-style-type: none"> Amount of expenditure under project management 	<ul style="list-style-type: none"> At least 70% of VPRCs and EAGs have accessed funds in accordance with service standards At least 70% of DPMUs and PFTs receive positive scores (community for VPRC, VPRC for PFT, PFT for DPMU, DPMU for SPMU) through community /report scorecards At least 4 six-monthly COM revisions based on feedback from the field and independent reviews.

M.6 Arrangements for Results Monitoring

The yearly targets for results monitoring and the data collection and reporting arrangements are summarized in **Attachment M.4**.

M.7 Conflict Resolution

Since Village Communities are directly accessing financial resources and having decision-making powers devolved to them for the first time, conflicts are bound to happen at the village level. The likely areas where conflicts can arise are selection of committee members, participatory identification of the poor, selection of beneficiaries etc. Even though institutional arrangements at the village level and the capacity building of the office bearers are given due attention in the project, still certain conflicts may arise.

The COM contains details of the mechanism for conflict resolution systems at the village level. The COM also describes case studies of conflicts in pilots and ways of dealing them. The Conflict redress mechanism system for the village at various levels has also been described in COM. Compliant boxes to be installed at VPs and methods of operating it have also been described. In order to institutionalize a conflict resolution mechanism, running through all project stakeholder levels, a communication tree showing names, telephone numbers and email ID of PFT, DPMU, SPMU and World Bank will be displayed in all villages and is summarized in Table 13.6.

Table 13.6 Conflict Resolution Mechanism

Step No.	Communication Level	Redressel mechanism and Time limit
Step – 1	A conflict/dispute occurs	<ul style="list-style-type: none"> • Try to resolve with other community members • The community member can directly resolve with the VPRC • The community member can bring it up to the SAC
Step – 2	Take up with Gram Sabha	<ul style="list-style-type: none"> • Bring it to the notice of the Gram Sabha and wait for 2 weeks to resolve • 80% of the conflicts are expected to be resolved at this level
Step – 3	Take up with PFT Leader	<ul style="list-style-type: none"> • Allow 2 weeks for action to resolve • 10% of the conflicts are expected to be resolved at this level
Step – 4	Take up with District Project Manager	<ul style="list-style-type: none"> • Allow 1 week to resolve • 5% of the conflicts are expected to be resolved at this level
Step – 5	Take up with Project Director, SPMU	<ul style="list-style-type: none"> • Allow 1 week for resolving • 4.5% of the conflicts are expected to be resolved at this level
Step – 6	Bring to the attention of World Bank	<ul style="list-style-type: none"> • The conflict will be resolved within 48 hours • Only 0.5% of exceptional cases will reach this level

M.8. Exit Rules

If there are conflicts among the community, differences arising among GP, VPRC, EAG, Federations etc., the PFT will try to resolve the conflicts. If the parties concerned do not resolve the conflicts, PFT will allow 30 days for resolving the conflicts by themselves. Thereafter if the conflict remains unresolved, the PFT can suspend the project activities in the village. Similarly, if there are misappropriation of project funds by anyone in the village, VPRC /PFT can suspend the project activities to the group concerned or for all of the village in case the mistakes are not corrected within a notice period of 30 days. The key exit rules are summarized in Table 13.7.

Table 13.7 Exit Rules

Institution Level	Nature of Problem	Exit Action with Time Limit	Decision-making Responsibility
Village Level	<ul style="list-style-type: none"> Lack of consensus among community members, office bearers 	<ul style="list-style-type: none"> PFT will try to resolve difference of opinions and give 15 days to resolve DPMU will facilitate to resolve the difference and give 15 days to resolve 	SPMU cancel the village from project list
Village Level	<ul style="list-style-type: none"> Misappropriation of funds Gross violation of project principles 	<ul style="list-style-type: none"> PFT give notice to VPRC to rectify the mistake within 30 days DPMU will inspect the village for rectification of the defects and if the defects are not rectified within 15 days, will recommend to SPMU 	SPMU will cancel the village from the project list

At the end of the project : The project period is for six years. Though the outcome indicators would reflect the impact of the project interventions, the village poverty reduction committee, which by then would have emerged as an empowered body, should stay and continue to work the poorest and the marginalized sections of the Panchayats. Hence, after the exit of the project, if the following milestones are ensured :

- VPRC is able to raise resources and run independently without project support.
- The Panchayat maintains and continues and continues good governance and be pro-poor.
- The economic activity group and the federations are running as viable business enterprises.
- The Community Resource Persons (CRPs) identified and trained by the project are skillfully employed.
- The overall income level of the Panchayat is increased and specific interventions are targeted through convergence with other government schemes for very poor and marginalized sections.