

Islamic Republic of Pakistan

Community Development Project Project Performance Assessment

Executive Summary

1. **Background.** The Independent Office of Evaluation of IFAD (IOE) undertook a project performance assessment (PPA) of the Community Development Programme (CDP) in Pakistan with the objective to assess the overall results of the programme and generate findings and recommendations for the implementation of ongoing operations in the country and the design of future operations. This assessment is based on a review of various programme-related documents and a mission to Pakistan in September 2014 which visited the programme area and held interviews and discussions with beneficiaries and other key stakeholders. As normally is the case with PPAs, given the time and resource constraints, no quantitative survey was undertaken. It should also be noted out that there was lack of quantitative and qualitative data available from the programme that could reliably inform outcomes and impact, which posed limitations on the conduct of the PPA.
2. **The programme.** *Programme environment.* CDP covered Azad Jammu and Kashmir (AJK) in the Pakistan-controlled part of Kashmir. AJK has a special status within Pakistan and has its own constitution, legislature, president, prime minister and cabinet. Major constraints for rural economic development in AJK include a poor agriculture resource base, small land holdings, difficult terrain, lack of industry, and limited access to basic services and markets. Another factor limiting access to many of the poorer areas (for example Neelum Valley) is their proximity to the "line of control" between the India and Pakistan-controlled parts of Kashmir, which has often been the site of cross-border skirmishes and restrictions on all kinds of movement. Seasonal migration by males to other parts of Pakistan for employment is widespread. Remittances from family members working abroad are another important source of income. There are some indicators for which AJK fares much better compared to the rest of Pakistan, e.g. literacy rate and women's status.
3. *Programme approach.* CDP was designed as a follow-up programme to build on the experience and achievements under the previous IFAD-funded Neelum-Jhelum Valleys Community Development Project (1992-1999), which covered the northern part of AJK. Both initiatives adopted the generic community organizations-based rural development model initiated under the Agha Khan Rural Support Programme in the early 1980s.
4. *Programme objectives.* The programme goal was "to consolidate, expand and improve the well-being of the target group through a gender-sensitive, community-based participatory process of village development". According to the president's report, the main objectives were to: (i) strengthen the role and capabilities of existing community organizations (COs) and establish new COs; (ii) lay the basis for a successful devolution process by promoting effective governance, transparency and accountability through operational and financial improvements and better relationships between central and local institutions; (iii) improve natural resource management; and (iv) expand social and economic infrastructure necessary to increase the income and employment opportunities of the poor rural people and reduce their poverty levels.
5. *Programme area and target group.* CDP covered all districts in AJK. As per the design, it aimed to target about 120,000 rural households (i.e. 33 per cent of the rural population in AJK). Two thirds of them were expected to be in COs that

already existed and would be strengthened under the programme, and one third in COs to be newly established. Three target sub-groups were identified: (i) the landless (10 per cent of the target group); (ii) smallholders (75 per cent); and (iii) woman-headed households (15 per cent). A two-pronged targeting process was proposed: area targeting and participatory intra-community targeting.

6. *Programme components and financing.* The programme comprised four components: (i) gender-sensitive community development, to establish new COs as well as strengthen existing COs; (ii) community development fund, including the microfinance window, financing of small-scale social and economic infrastructure and financing innovative initiatives; (iii) natural resource management; and (iv) programme management. Against the planned project budget of US\$30.74 million, the total actual cost was estimated at US\$28 million. About 45 per cent of the actual project cost was for small-scale social and economic infrastructure.
7. *Changes in the context.* The massive earthquake in Kashmir in October 2005 severely affected four districts in AJK. The priorities of the Government and the population shifted to relief, reconstruction and rehabilitation. Donors and non-governmental organizations (NGOs) came for relief activities, offering attractive wages for experienced staff, which led to staff attrition at the CDP programme management unit (PMU). One of the main responses by the programme to this event was to increase the budget allocation for civil works for community-level infrastructure, while the original overall programme approach and objectives were maintained. However, at the point of the mid-term review, the targets for COs were almost halved to 2,100 (600 new) because of the earthquake as well as the realization that the original targets were too ambitious.
8. *Implementation arrangements.* The Government of AJK was designated as lead programme agency. A PMU, headed by a programme director, was housed at the Planning and Development Department. The PMU and district programme offices were responsible for planning and coordination. Their work was backed by the Food and Agriculture Organization of the United Nations' assistance under a "unilateral trust fund" arrangement financed by the programme. In later years, the responsibilities for community mobilization were handed over to the AJK Rural Support Programme (AJKRSP), which was set up with a Government of AJK endowment fund in 2007 following examples of other rural support programmes at federal and provincial levels.
9. **Performance assessment.** Programme implementation progress in the initial years was seriously hindered not only by the 2005 earthquake but also by various implementation and management issues, in particular, a continual turn-over in the programme director's position and lack of leadership. However, after the mid-term review, the programme made reasonable progress due to a number of factors, including stability of leadership positions in the PMU and direct supervision and closer follow-up by IFAD.
10. The programme followed the established community development model in Pakistan which centres around the mobilization and strengthening of COs. In terms of **relevance**, the programme objectives were largely in line with the Government and IFAD strategies, but there were a number of areas in the design that lacked coherence and clarity in strategy (e.g. targeting).
11. As for **effectiveness** in light of the programme objectives, the most visible achievements were in terms of improving access of rural communities to social and economic infrastructure, as well as strengthening the overall capacity of community organizations and the skills of their individual members. However, the rushed implementation in the latter years prevented the programme from giving enough time and attention to consolidate their support to community organizations and thus their sustainability. Progress on other objectives was modest (natural resource

management, savings and credit) or little (laying the basis for a devolution process).

12. In terms of overall **rural poverty impact**, the programme's contribution is most pronounced in terms of human and social capital and empowerment. The PPA refrained from rating two impact domains (household income and assets, food security and agricultural productivity) due to lack of data and evidence.
13. The Government of AJK has taken commendable steps to sustain the benefits of the programme, but one of the main issues concerning **sustainability** is that the participatory approach has been "project-centred" and has not been mainstreamed into government's regular development planning, budgeting and service delivery. Without an institutionalized space in local development planning processes for COs to voice their needs and aspirations, the sustainability of these organizations is not certain.
14. In relation to **gender equality and women's empowerment**, a conscious effort was made to maintain a balance between male and female CO members. At the programme's end, 44 per cent of the members were women. The programme was proactive in targeting certain activities to women members (e.g. goat distribution, poultry) and also ensured a fair share for women in vocational and agriculture-related training (e.g. livestock, kitchen gardening). It was reported that enhanced skills and income opportunities contributed to their empowerment, better recognition in households, and changes in gender relations within households.
15. **Recommendations.** Key recommendations for consideration by IFAD, the Government (both the Government of AJK and the Government of Pakistan) and AJKRSP are given below.
 - **Institutionalize participatory approach for local development planning in AJK.** In order to sustain the benefits generated by the programme, it is recommended that the Government of Azad Jammu and Kashmir take steps to: (i) strengthen the Community Development Section in its Planning and Development Department; (ii) develop a strategy and action plan to mainstream a participatory development approach in regular government planning and budgeting processes, and sensitize senior government officials and members of the legislative assembly; (iii) institutionalize district development committees with terms of reference and clear designation of coordinators/focal points; and (iv) clarify its relationship with AJKRSP and ensure the latter's independence and autonomy.
 - **Address institutional-building issues for AJKRSP.** It is recommended that AJKRSP focus on a number of key issues: (i) develop a new medium-term strategic plan for guiding its directions and operations; (ii) based on the strategic plan, realign its staffing and field presence with realistic budget projections; and (iii) re-establish linkages with other rural support programmes and their network to access knowledge, skills and platforms for exchanging experiences.
 - **Clarify the nature of matching funds and possible future direction for microfinance.** Based on consultations between the Government of AJK and AJKRSP, a final decision needs to be made about the nature of matching funds (i.e. grant or loan) that have been disbursed and this needs to be communicated to COs.
 - **Improve stability in programme management in future projects.** For future IFAD-financed projects, there should be a joint strategy to increase the chances of assigning and retaining competent staff for programme management, carefully reflected upon by IFAD, the Government of Pakistan and provincial governments that are designated as lead implementing agencies.

- **Support the development of systems to better measure the results and impact and IFAD support.** As a general point, IFAD should pay greater attention and provide support at all stages in this area – including proposing a solid basis for monitoring and evaluation in project design reports, providing support to project management in the preparation of terms of reference for relevant consulting services (e.g. baseline survey, monitoring and evaluation system development, impact surveys), selecting consultants, and reviewing and advising on proposed methodologies and draft reports.