

Evaluation Report

Poverty Emancipation Project (PEP)

(Evaluation Period: 2001 – 2003)

Implemented by
Rangpur Unnayan Samajik Sangstha (RDSS)

Sponsored by
Stromme Foundation

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Study Conducted and Report Prepared by



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I. ACRONYMS AND ABBREVIATION

RDSS	Rangpur Unnayan Samajik Sangstha
BDT	Bangladesh Taka
SF	Stromme Foundation
EC	Executive Committee
FGD	Focus Group Discussion
GO	Group Organizer
RLF	Revolving Loan Fund
IGA	Income Generation Activities
BBS	Bangladesh Bureau of Statistics
NGO	Non-Government Organization
NOK	Norwegian Krona
PEP	Poverty Emancipation Project
TOR	Terms of Reference
UP	Union Parishad

II. A GLIMPSE OF PROJECT STATUS

Poverty Emancipation Project (PEP) Duration 2001 – 2005

A Glimpse of Project Status (2001 – 2003)

Year	Status as per Project Application	Actual Status at RDSS (From 2001 to 2003)
A. Budget and amount received by RDSS from the donor (SF)		
2001	NOK 284164 (equivalent to Taka 2,273,312)	(Project started in September '01) Taka 993,000
2002	Taka 2,679,015	Taka 1,350,000
2003	Taka 2,726,243	Taka 2,017,241
B. Covering Area		
2001	2 Unions: Kallayni, Itakumari under Pargacha Thana of Rangpur district	3 Unions : Kallayni, Itakumari, Annada Nagar
2002	Same	Same
2003	Same	Same
C. Target Participants		
2001	Landless or low income households (Taka 10,000) per household per year Total households : 1300 Women :1000 in 50 women groups Men: 300 in 10 men groups	Total households: 1714 Women: 1674 in 71 women groups Men : 40 in 2 men groups
2002	Same	Same
2003	Same	Same
D. Goal		
2001	(Not clearly defined and specified)	-----
2002	Improving Livelihood condition of the beneficiary families	Same
2003	Sustainable socio-economic development of 1300 destitute, landless families having low income in villages of Kallayani and Parul unions of Pargacha thana in Rangpur district	Sustainable socio-economic development of 1714 destitute, landless families having low income in villages of Annadanagar, Itakumari and Kallayani unions of Pargacha thana in Rangpur district
E. Objective		
2001	<ul style="list-style-type: none"> Facilitate a sustainable development among the participants by means of credit management and fish cultivation Capital formation to the tune of Taka 3000 per beneficiary combined with savings generation by the project participants Developing capacity of groups and community through social awareness raising. 	-----
2002	Purpose : Socio economic improvement of 1000 vulnerable women and 300 landless or low income men and their family Again written : Socio-economic development of the project participants and their community.	Covered 1674 women and 40 men
2003	Purpose : <ul style="list-style-type: none"> Mobilization of target population into group and aware them on social issues and their rights and obligation in the society Improve family income by involving participants in savings and credit activities Make participants aware on health and education problem and motivate in use of sound health and sanitation measure Motivate in children education Improve income and diet by promoting fish culture in the low and marshy land. 	Covered 1674 women and 40 men

III. SUMMARY

Introduction

Poverty Emancipation Project (PEP) has been implemented by Rangpur Unnayan Samajik Sangstha (RDSS) in three unions of Pargacha thana of Rangpur district. Stromme Foundation (SF) funds the project. This five years' project started in this area in September 2001. At this stage, in the end of 2003 both SF and RDSS thought it out to conduct a mid-term review to see the status of project objectives and activities taken so far. In this regard an external development consultant has been contacted to review the project. The consultant along with project stakeholders maintained the participatory process from the very beginning of the study design, implementation of the study work at field, sharing the evaluation findings and accepting feedback from the relevant fields. Fieldworks took place in December 2003. The consultant went into every detail of the project activities and tried to gather information and not only looked into the problems and shortcomings of the project but also into its possible solutions those are summarized as observations and recommendations. In this section major findings and recommendations are described briefly. Elaborate descriptions are furnished in the next chapters of this report.

Major Findings

a. Beneficiary coverage, savings and credit utilization performance

The project intended to support socio-economic development programme activities to 1,300 beneficiaries in three unions. In actuality the project has covered a total of 1,714, which is 32% more than it was targeted earlier. There existed more scopes to cover one union in a concentrated way instead of covering different unions in a scattered way.

At the end of third year, average amount of savings per group member stood at Taka 911. This amount would be more if the members could deposit their savings regularly. It also indicated that concern group organizers could not mobilize them in generating savings fund.

Group organizers (and supervisors) were irregular to update group member's savings passbooks. In many group members' individual passbook they did not write figures of cumulative savings along with yearly profit, which the group members supposed to get from RDSS's RLF.

Out of total 1,714 members, 1645(96%) took loan at least once from RDSS. That means almost all members had access to loan programme. Average amount of loan to one member stood at Taka 3,605 (Principal), which is a reasonable amount for a poor people to start some small-scale income generation activity at her/his level.

In November 2003, in time loan realization rate stood at 97.7%, which is appreciable in terms of maintaining regular repayment system by the respective group and by group organizers.

b. Institutional Development

Average size of members in each group is 22. But in the field there are groups even with 33 members. It becomes difficult to manage group activities in such groups. In each group there exists executive committee comprises of three members. Group members could explore their opinion accurately about the roles of the members holding the posts.

It was found that without presence of group organizer, group meetings could not be held regularly. In 40% groups weekly meetings and savings collection are irregular.

Group members raised the issue of frequent change /dropout of group organizers. This is really a problem both for group and staff to maintain continuity of works those are set earlier on the basis of field needs.

Group members are outspoken and clear on their perception on 'group solidarity'.

Management staff of RDSS conducted 'Group management' course for group members. It was found that 67(58%) of the training participants are involved with respective work.

It appeared that inter-organizational (inter-group at village level) linkages are not adequate.

c. Health and Sanitation

Group members are well aware to have safe drinking water as it has been found that 97% of the group member's households use tube-well water for drinking. They are also aware on arsenic mitigation of tube-well water.

Regarding use of hygienic latrine, group members are still much backward. Out of 206 households only 75(36%) have ring-slab latrine set. In this case RDSS did not put much effort to change the situation.

d. Micro-credit and Economic Development

Compared to first year of the project, revolving loan fund of RDSS was 217% higher than in second year, and in the third year it was increased to 33% than that of second year. This trend indicated gradual increasing of disbursement of loan to the borrowers. But at the same time it was revealed that RDSS had huge liabilities with loan fund to SF, group members and to other projects under it.

Out of 206 group members under this study, 197(96%) took loan at least once from RDSS. 47(23%) group members took loan for three times and 121(59%) took two times within this three years' period. It indicated that group members gradually build up their capacity to take more loans.

Most of the income earners (36%) are involved in small business followed by agricultural work (31%). Average per head monthly income is Taka 4,556. Compared to baseline survey (Taka 3,035 per head/per month), present per head monthly income is 50% more than earlier.

e. Social Issues and Women's status

As per project objective, it was supposed that all children of age group 6-10 under group members' household would attend local primary schools. It has been found that among 132 total children of this age group, 75% are going to different classes at nearby primary schools.

Out of total group members under this study, 52% women are somehow directly involved in running their own income generation activities.

Regarding women's movement it has been found that in all 69% of the women are able to go to clinics and schools; join social works. And this is now possible, as the women expressed, due to their association with group as active member and as they are involved in IGAs.

f. Project Management

The Director, as Chief Executive of the organization is the overall responsible authority for 'Poverty Emancipation Project (PEP)'. Under him one of the programme coordinators of RDSS has been assigned as line manager of the project. Again, one Project Coordinator directly heads the project at project area office level.

At present in the project office level a Group Organizer (GO) is handling 10 groups in average. In present context it would be possible to manage 15 groups by a GO.

In the project area office two supervisors can manage activities straightforwardly. In that sense another Project Coordinator in this office appeared to be 'excess'.

The consultant observed that the budget - expenditure variances were analyzed on periodical basis. Financial monitoring is a continuous process, practicing by the management.

As per provision in the constitution, annual audit was conducted by RDSS in time through reputed professional chartered accountants firms, enlisted with the NGO Affairs Bureau.

RDSS as a local NGO has a good reputation and image in the locality for its innovative and integrated community development approaches.

Some project staff (Group organizer and supervisor) are not clear how conventional institutional efforts would involve in target dissemination process with the group members' households level. They have insufficient understanding on comprehensive multidisciplinary technical and social aspects of development.

Major Recommendations

- To develop group/ group leader's capacity it is needed to 'facilitate', not to make the members dependent much on RDSS staff. Members should always think of shouldering responsibility on their own to establish 'people's institutions at the grassroots level.
- Average size of a group should be within 20 to 25 members. Otherwise it would be difficult to maintain cohesion of group in the long run.
- Group members should be mobilized enough to generate more savings fund of their own.
- Group members should be entitled to take loan from their own savings fund in case of emergency needs.
- In the group member's individual passbook all types of financial transactions including cumulative savings, credit balance, profit they earned from RLF etc. should be updated and duly written by the respective group organizers /supervisors.
- To implement social programme activities it is needed to develop group organizers and supervisors' quality in analyzing social issues, and so they become able to mobilize the people in that regard.
- Within the project area, 100% of the group member's households should have access to hygienic latrine.
- One group organizer should shoulder responsibility for 15 groups in average. In that case union and village-wise group distribution needed to be re-organized. In respect to cost-effective issue, it should be thought out in that way.
- Two Supervisors for this project is sufficient to manage all activities. In that case a separate 'Project Coordinator' for this project is not needed. The Programme Coordinator of RDSS from head office can easily monitor project activities.
- In order to develop group organizers' capacity, it is needed to provide training courses for them on group management and institution building, savings and micro-credit operation, especially on different rate calculation in a simpler way.
- Enterprise loan: Some loans could be provided to marginal businessman in the local market. Presently they are taking loan from traditional moneylenders.
- In relation to micro-finance policy and sustainability issue, per head loan amount should be more than it is now. Because, making three loans of Taka 3,000 each is more costly than one loan for Taka 9,000.
- RDSS should be careful enough to minimize its liabilities. It should step forward to revolve more money into its revolving loan fund.
- It needs more concentration by RDSS staff in calculating standard micro-finance management report supplied by SF.
- RDSS should develop long-term action plan in order to achieve sustainability at individual /household level of the beneficiary groups.

1. PREAMBLE

1.1. Background

Rangpur Unnayan Samajik Sangstha (RDSS) was formed in 1986 as a local NGO. It was registered with the department of social service and NGO- Affairs Bureau, Government of Bangladesh in 1996. Based in Rangpur town, RDSS presently implementing its development projects in the areas of Rangpur and Nilphamary districts. Since its registration, it has been implementing some small-scale development projects through generating local contributions and other sources to reduce sufferings of the distressed families in greater Rangpur district, which is identified as the poorest zone in Bangladesh. Compared to the depth and dimension of the problems RDSS's resources and coverage of the said projects have been very limited. In 2001 it developed the project "Poverty Emancipation Project (PEP)" and submitted it to the donor organization- Stromme Foundation (SF) of Norway. The project was designed for five years i.e., from 2001 to 2005. SF authority appraised the project and finally provided fund for this project.

The main goal of the project is to facilitate a sustainable development programme among the participants through training, income generation activities (IGAs), credit support and savings generation. The project has been facilitated and provides necessary financial and inputs for the participant undertake various activities for women. In order to enhance the production of fish in the project area, it has been decided to utilize the unused low land and also in marsh area to make up the deficit of fish cultivation. The organization works under community development approach and believes in sustainable development. RDSS emphasizes on the fact that rural women can develop themselves equally like men if they are given external supports. It has been thought out that, the project would have some positive impact in the beneficiaries' families through providing capacity building training, credit, ensuring use of safe drinking water and hygienic latrine. Project workers have positively encouraged distressed women and marginal farmer (project participants) to come forward to participate in social and economic empowerment programme activities. Stromme Foundation has been supporting RDSS both financially and as well as trying to build capacity of the organization, especially to develop as a Micro Finance Institute (MFI) in order to uplift the socio-economic condition of the poor people at their personal lives and at the family level.

As per the Agreement of Cooperation signed between the Partner (RDSS) and Stromme Foundation (SF), SF would have to organize periodic review of each 5-year project twice: a mid-term review and a final review towards the end of the project period. At the end of third year of the project period, both SF and RDSS decided to conduct a mid-term review to see the status of project objectives and activities taken so far. In this regard an external development consultant has been contacted to review the project of RDSS in December 2003. SF in consultation with its partner organizations has elaborated the TOR and recruited the consultant to coordinate the execution of the study. The consultant along with the project stakeholders maintained the participatory process from the very beginning of the study design, implementation of the study work at field, sharing the evaluation findings and accepting feedback from the relevant fields. This report includes major findings of the project activities and recommendations drawn by the consultant. The views expressed in this study are entirely those of the consultant, by no means do they represent any official views of the donor or the implementing agency.

1.2. Objectives of Evaluation

The general objectives of the review are:

- To study whether the partner has implemented the program as planned in regard to selection of target people, training, strategy and management;
- To get an overall view, salient features, special characteristic, strengths and weakness of the project;
- To examine and assess the effects and impact of the project;
- To assess specific objective of the program in relation to how income and employment generation have helped the participants;
- To comment on the extent the program has helped in achieving its objectives;
- To identify and suggest future course of direction.

1.3. Methodology

The study has covered both quantitative and qualitative aspects. To collect data / information, individual interviews, FGDs, group meetings, workshops and spot visits have been taken place. The study has been conducted in all three unions under this project. Both easy accessible and remotest areas under those unions were visited during the field study. In order to cover the objectives, the consultant developed data collection instruments and techniques and, necessary implementation plan (work strategy). Tools including data collection checklists for different level stakeholders were used. 12% (9 groups) of the total groups from three unions under this project have been directly covered in this study. The total study took place from 24th to 30th December 2003.

2. EVALUATION FINDINGS: Project Implementation and Performance

2.1. Achievements of project objectives- Effects and Impact

2.1.1. Beneficiary coverage, savings and credit utilization performance

The project intended to support socio-economic development programme activities to 1000 rural women and 300 men (hereby called by beneficiaries / project participants) belonging to landless or low-income households in two unions of Pirgacha thana under Rangpur district. It has been found that in actuality the project has covered a total of 1674 women and 40 men under 71 women and 2 men groups respectively. Coverage of project participants (1714) is 32% more than it was targeted earlier. Out of three unions under this project, groups were organized uniformly in two unions: Annadanagar and Itakumari. But in Kallyani union, only 3 groups are existed (Table- 1). In relation to geographical coverage and required person power, it is not cost-worthy. In each of Annadanagar and Itakumari union, 28%¹ of the poor families are covered under this project. There existed more scopes to cover one union in a concentrated way instead of covering different unions in a scattered way.

Table- 1 : Number of Groups, Group members and status of Savings and Credit under the Project
(From the beginning to November 2003)

Union	No. of Group	No. of Group member	Total Savings	No. of Borrower	Loan Disbursement		Loan Realized		Loan Outstanding (Taka)		Over due	
					Principle	Service Charge	Principle	Service Charge	Principle	Service Charge	Amount in Taka	# of borrower
Annadanagar	37	834	757870	777	2785000	417750	1444888	218954	1340112	198796	18293	24
Itakumari	33	775	702880	763	2770000	415500	1387701	207701	1382299	207799	25985	45
Kallyani	3	97	100260	97	326000	48900	147520	22127	178480	26773	2160	1
Fish farm	-	08	-	08	50000	7500	17500	4500	32500	3000	35500	8
Total	73	1714	1561010	1645	5931000	889650	2997609	453282	2933391	436368	81938	78

At the end of third year, average amount of savings per group member stood at Taka 911. It was observed that the amount would be more if the members could deposit their savings in a regular way. This leads to the fact that the group members were not regular in depositing their savings and the group organizers could not make it workable. It is to be mentioned here that at the beginning of the project period each group member started to save Taka 5 per week and from second year provision was made to deposit at least Taka 10 per week. Some of the members even deposited more than taka 10 (even Taka 20 /week) from that time.

When discussed with the group members they expressed their dissatisfaction on the policies of using their own savings in loan revolving fund under RDSS. They did not know exactly about updated savings fund of their own, which is lying with the organization. The consultant also found that yearly profit on group member's own savings was not put in the individual passbook. In this respect, there lack transparency between the group and organization. Furthermore, group members also disclosed that they did not get their own money in case of emergency need. RDSS should think this matter materialistically.

Out of total 1,714 members, 1645(96%) took loan at least once from RDSS. That means almost all members had access to loan programme. Average amount of loan to one member stood at Taka 3,605 (Principal), which is a reasonable amount for a poor people to start some small-scale income generation activity at her/his level. But related to micro-finance policy and sustainability issue, per head loan amount should be more than it is now. Total amount of loan disbursed to the group members was Taka 5,931,000 (Principal) as on 30th November 2003. It was found that during 2001 to 2003 SF provided credit fund amounting Taka 2,510,000 (Table- 9) to RDSS and at the end of November 2003 total amount of outstanding loan lying with 1,645 borrowers was Taka 2,933,391 as principal and Taka 436368 as service charge (Total Taka 3,369,759). In addition, Taka 453,282 was realized from the borrowers as service up to November '03 (see Table- 1 and Annex- 1). The consultant experienced that the fund could not be revolved effectively though there existed scopes in

¹ Source: 1) BBS census report, 2) Population and household information list at Union Parishad Office

the field. In November 2003, in time loan realization rate stood at 97.7%, which is appreciable in terms of maintaining regular repayment system by the organizers (Loan Officers). It was found that Taka 81,938 was lying as overdue to 78 borrowers. Average amount of overdue loan to each member was Taka 1,050 in December '03.

Following the quarterly financial and portfolio information report prepared by RDSS in the month of November '03, it was found that portfolio at risk was 14%; risk covered by savings was 27%; rate loans due was 27%; administrative efficiency was 9% and portfolio yield was only 1%. The consultant reviewed the calculation made by RDSS in the standard reporting format supplied by SF and found some mistakes². For evidence, statement prepared by RDSS on accumulated savings fund with the actual figures available in the field is put in annex- 1. It needs more concentration in calculating such standard report. Concerned staffs also need more orientation /training on this and all of the related staff under micro-finance unit should practice it regularly otherwise management might be miss-led with the information made impractically.

The objectives fixed at the time of project design have been changed over the years. At the beginning, major objectives were fixed as- i) Facilitate a sustainable development among the participants by means of credit management and fish cultivation, ii) Capital formation to the tune of Taka 3000 per beneficiary combined with savings generation by the project participants, iii) Developing capacity of groups and community through social awareness raising. In the second and third year, project purposes have been set in a different ways, emphasizing on increased income, education, health and sanitation for the target beneficiaries.

In the first year there was a plan to promote fish culture in the low and marshy lands under this project area. It was supposed to organize 10 male groups (with 300 members) to run 10 fish culture projects. But in actuality only 2 male groups were involved with 2 small projects. In one group there were 8 members and in another group there were only 2 members. These 2 members were not from poor family. They were marginal farmers and influential people of the area. Before starting of PEP, these two men already had taken lease of the marshy land from others. However, the two groups were provided Taka 53,000 as loan from RDSS and at the end of November '03, Taka 19,500 was laying with them as 'overdue' (37%). There has been no 'group activities' in these two groups for the last one year and these have already been declared 'abandoned'. When discussed, the RDSS management expressed that the area was very suitable for fish culture and they thought to implement activities under PEP, but SF did not support it and as a result they had to give up the initial idea. Nevertheless, the consultant reviewed the situation and found out that actually to run such big project, there had been no strong and sustainable group at the area and in case of RDSS it would be difficult to implement such project at community level.

Irregular Group and Dropout of group member

It was found that out of 73 total groups there are 15(21%) groups, which are treated as 'Irregular' group in the field. As there are liabilities on loans and savings so RDSS area office has not yet been declared those as 'Dropout group'. The reasons behind those groups are: i) incase of five members 'sub-group' if any one or two fail to repay her money in time, others are suffered, and so some group members do not like this system and make the group inactive; ii) Leadership conflict among the sub-group leaders. RDSS should develop an action plan to mitigate this type of problem immediately. It should not be lingered more.

Regarding dropout of group members respective groups and staffs at field level revealed several reasons as follows:

- i) temporary migration of male counterparts /husbands of the women members to outside the area in search of work, in that case women can't work alone and can't repay loan, and remain absent from the group meeting and from other activities; ii) not eligible to have loan but they push GOs to have loan,

² Like: i) putting monthly savings collection as taka 30920, and year to date as taka 21,640 (only?); ii) some figures remained blank in the last page of the report under the column 'cumulative for the year 2003'; iii) some mistakes in calculated figures under 'PORTFOLIO ANALYSIS'.

and if not, they leave group; iii) some families are living in this place who were rehabilitated here from outside. Sometimes all on a sudden, they again migrate to other place and don't keep any relation with the respective group.

RDSS management should look in to the matter and necessary steps should be taken to avoid these types of situations.

2.1.2. Major Effects and Impact

2.1.2.1. Institutional Development

Group membership and Leadership development

At the end of third year of the project period, average number of group members per group stood at 22 (Table- 2). But when visited different groups at the field, it was observed that there existed group³ with 33 members. Lowest number of members in a group was 20. It was found that groups with more than 25 members were disorganized and it made difficult for the group leaders to manage such groups in maintaining regular group meetings and collecting savings. In each group there exists executive committee consisting of three members with posts: President, Secretary and 'Group Chief' (representative among the leaders of small groups). When discussed, group members could explore their opinion accurately about the roles of the members holding the posts. Participants in the discussion meetings /FGDs were outspoken and clear on their perception on group solidarity. However, as they expressed that, they need external support to maintain regularity in group management. It was found that without presence of group organizer from RDSS, group meetings were not held regularly. In many groups (40%) weekly /monthly meetings and savings collection were irregular. It also depends on the role and capacity of the respective group organizer who is responsible to manage the group. Group members raised the issue of frequent change /dropout of group organizers. This is really a problem both for group and the staff to maintain continuity of promising works those are set on the basis of field needs.

Table –2: Status of Group members and Group performance under this study

Union	No. of Group (all Female)	No. of group member	Average no. of member per group	Group's Record keeping			Pass book writing		
				Regular	Irregular	Incomplete	Regular	Irregular	Incomplete
Annadanagar	6	144	24	3	3	1	3	3	1
Itakumari	2	42	21	2	0	0	2	0	0
Kallyani	1	20	20	0	1	0	1	0	0
Total	9	206	22	5	4	1	6	3	1

Book-keeping and accounts maintenance in the Group

Among 9 groups under this study, it was found that 5(56%) were regular in maintaining record keeping, and 67% were regular in writing passbooks. In many cases (in almost 30% groups) it was found that group's resolution book had been lying with RDSS office /staff though it was a must to keep and maintain all documents with the groups at their control always. These evidences actually represent the status of groups under this project and in relation to this situation, it could be said that the groups needed more facilitating support from the group organizers at the field. Responsibility also is lying with the RDSS management to make it more workable. In most groups (80%) group organizers write meeting resolutions, pass books, group accounts etc. But in order to develop group/ group leader's capacity it is needed to only 'facilitate', not to make the members dependent much on RDSS staff. Members should always think of shouldering responsibility on their own to establish 'people's institutions at the grassroots level.

Capacity building of the Group Members

RDSS arranged training courses for group members as part of capacity building programme of the project participants. Out of total 206 members under this study, 115(56%) participated in seven

³ 'Pratiba Mohila Samity' in Annadanagar Union.

different training courses (Table- 3). All skill training, nutrition and family planning courses were conducted by the government officials at upazila /union level. RDSS maintained liaison with the government support service offices and used available skills of the officials to conduct training course and at the same time efforts were put to make the group members familiar with those officials so that they could avail services from the officials at the time of implementation of activities at their level.

Table – 3: Training to group members and their involvement /practice in related work

Sl. No.	Name of training courses	Number of participants	Number of members involved / engaged in training related work
1	Cow/Goat rearing	10	8
2	Poultry rearing	28	17
3	Vegetable gardening	32	18
4	Fish culture	20	9
5	Nutrition and childcare	9	3
6	Family planning	6	4
7	Group management	10	8
Total		115	67

The management staff of RDSS conducted ‘Group management’ course. It was tried out to discover the use of training knowledge by the participants after participating respective training course. It was found that 67(58%) of the training participants somehow involved with respective work. The consultant found it quite satisfactory in terms of utilization of training skills by the group members and at the same time it was perceived that more members could be involved in work if the grassroots level group organizers put emphasis on it, and if the management would be more cautious to materialize the implementation plan.

2.1.2.2. Health and Sanitation

Group members are well aware to have safe drinking water as it has been found that 97% of the group member’s households use tube-well water for drinking (Table- 4). They are also aware on arsenic mitigation of tube-well water. Regarding use of hygienic latrine, group members are still much backward. Out of 206 households only 75(36%) have ring-slab latrine set. In this case RDSS did not put much effort to change the situation. According to baseline survey⁴ conducted by RDSS at the beginning of the project period, it was found that 95% of the households used tube-well water and 19% used ring-slab set latrine. In that regard it could be said here that people were already cautious on using safe drinking water earlier. In case of using hygienic latrine though it shows that at present more households (almost double of the households than before) are using ring-slab set latrine, but compared to number of covered households under this project it is not at all a good sign. According to the present environmental context, government and other organizations’ supports at union level, and in relation to various economic and social support services provided by RDSS, 100% of the group member’s households should have access to hygienic latrine.

Table –4: Sources of drinking water and sanitation in the group members’ houses

Union	Total no. of houses	No. of group members’ houses with sources of drinking water		No. of houses with type of latrine	
		Tube-well	Pond	Ring-slab latrine	Kancha /open latrine
Annadanagar	144	138	6	39	105
Itakumari	42	42	0	20	22
Kallyani	20	20	0	16	4
Total	206	200	6	75	131

⁴ In the project office no separate report was available, but there existed filled-up group baseline survey format of the members’ households. The consultant took some formats randomly and tabulated baseline findings (figures) as annex- 2 attached with this report. Analysis was made on the basis of this table.

2.1.2.3. Micro-credit and Economic Development

Micro-credit fund source

RDSS managed capital from three different sources to use as loan revolving fund. These were: i) RDSS's fund from other Projects (as loan without service charge); ii) Loan Fund from Stromme Foundation (SF); iii) Group members' savings Fund (as loan with service charge). At the very beginning it started credit programme with taka 500,000 from its own fund (Table- 5a). Afterwards, in the first year of project period it received fund from SF and some amount it collected from group members' savings fund. In three years total capital stood at taka 5,271,010, out of which 47.6% was from SF, 22.8% from RDSS and 29.6% was from group members' fund. Within this three years' project period RDSS repaid a total of 1,751,900 out of which taka 81,900 was service charge to SF. In this period total amount of loan recovered from borrowers was taka 3,450,891 (Table- 1). That means almost 51% of the realized loan was paid back to the respective parties, except the group members.

Table- 5a: Micro-credit Fund Sources: received and repaid by RDSS (as at November 2003)

Year	Sources of Fund and amount (in Taka) received (Capital investment)				Fund Repaid by RDSS to different Parties						
	SF	RDSS	Group members' Savings	Total	SF			RDSS		Group members' Savings	
					Principal	Service Charge	Total	Principal only	P	SC	Total
2001	300000	500000	221590	1021590	-	-	-	-	-	-	-
2002	950000	700000	899030	2549030	225,000	8457	233457	500,000	-	-	-
2003	1260000	-	440390	1700390	945,000	73443	1018443	-	-	-	-
Total	2510000	1200000	1561010	5271010	1170000	81900	1251900	500,000	-	-	-

Liabilities of RDSS

It was found that RDSS had huge liabilities with loan fund to different parties. Table-5b shows that a total of taka 3,785,473 it would have to pay to three parties of which 42% to group members, 18% to RDSS and 40% to SF. On the other hand it had only taka 3,957,228 as its fund lying with the borrowers and some in bank and cash in hand (Table- 5b). Balance of Receipts and Payments became near to marginal. If there existed 5% loan loss provision, the situation would be more difficult to repay loan to the parties.

Table- 5b: Liabilities of RDSS with different Parties and present fund position (as at November 2003)

LIABILITIES					Amount (in Taka) of credit at field, amount in bank and at hand		
Types	Total Amount (in Taka) with different Parties				Loan Outstanding to the Borrowers at field	Amount in bank and at hand	Total
	SF	RDSS's other project	RDSS Groups	Total			
Principal	1426082	700,000	1561010	3687092	2933391	587469	3520860
Service Charge	66971	-	31410	98381	436368	-	436368
Total	1493053	700,000	1592420	3785473	3369759	587469	3957228

Loan to group members

It was found that out of 206 group members under this study, 197(96%) took loan at least once from RDSS (Table-5c). 47(23%) group members took loan for three times and 121(59%) took two times within this three years' period. Group members gradually built up their capacity to take more loans as it was seen that average loan to one borrower was Taka 2,200 in the first time and in the second time it was 3000. According to the micro-finance policy and following the cost-effectiveness, amount of loan to a borrower should be more than it found in this case. Because, making ten loans of Taka 3,000 is more costly than one loan for Taka 9,000.

However, it has been observed that RDSS gradually has become cautious on controlling overdue loans. Among 197 borrowers under this study, only 4(2%) are with overdue loan of amounting Taka 1,000 each on average.

Table –5c : Loan to Group members

Union	Number of group	Number of group members with loan (Borrowers)	Number of borrowers by loan frequency			Average amount of loan per borrower (Tk)			Loan Defaulters (Persons)
			One Time	Two Times	Three Times	1 st Time	2 nd Time	3 rd Time	
Annadanagar	6	139	139	87	27	2500	4000	6000	4
Itakumari	2	38	38	20	12	2000	3500	4500	0
Kallyani	1	20	20	14	8	2000	4000	5000	0
Total	9	197	197	121	47	2200	3000	5000	4

Group members with income generation activities

Group members are involved in seven different income generation activities. There are 243 income earners in 206 households (Table- 6), which means roughly in 37 households there are two income earners. Most of the income earners (88 = 36%) are involved in small business followed by agricultural work (75 = 31%). Average per head monthly income is Taka 4,556 in all unions. Along with men, many women group members are involved in income generation activities. It has been found that, out of 206 women group members, 127(62%) are involved in IGAs and run their activities successfully. Compared to baseline survey (Taka 3,035 per head/per month) (Annex- 2), present monthly income of an income earner is 50% more than earlier. But at the same time expenditures also has become higher. Nevertheless, group members have been found satisfied with the present status.

It has been found that monthly income of a butcher is highest than other IGAs (Taka 9,000), and lowest income goes to day labourers. A day labourer gets only Taka 1,703 per month. Day labourers are really victimized /exploited by others in the area. And it becomes worst for the women labourers.

Table –6 : Income source of the group members' households

Source of income	Status of income earners by monthly income in different unions							
	Annadanagar		Itakumari		Kallyani		Total	
	Number of income earners	Average per month per head income (Taka)	Number of income earners	Average per month per head income (Taka)	Number of income earners	Average per month per head income (Taka)	Number of income earners	Average per month per head income (Taka)
Small business	58	6600	13	4500	17	4000	88	5788
Service	10	4000	0	0	0	0	10	4000
Agriculture	61	4500	11	3000	3	3000	75	4220
Butcher	3	9000	0	0	0	0	3	9000
Barber	6	7000	0	0	0	0	6	7000
Van/ Rickshaw	8	5000	17	3500	5	4000	30	3983
Day labourer	21	1800	6	1500	4	1500	31	1703
Total	167	5054	47	3404	29	3552	243	4556

During field visits it was seen that the group members could use their credit fund in proper way. Though most of the women handed over money to their husbands /male counterparts immediately after taking loan from RDSS, but they expressed confidently that they also had their control over the fund, and the work done at family level.

It was observed that 60% of the borrowers use loan according to their activity, which they put in the loan application. As per calculation made on the basis of loan documents and spot visits at field, it was found out that 10% of the borrowers used loan in consumption purpose, 20% used in productive purpose, 30% used in rickshaw van and 40%(highest) used in running small businesses. This trend of utilizing loan money is okay, but stress should be given to use loan more in productive purpose.

2.1.2.4. Social Issues and Women's status

Children's Education

Following the objective of the project it was supposed that all the children of age group 6-10 under group members' household would attend the local primary schools. In that respect it has been found that out of total 132 children under this age group, 99(75%) have been enrolled to different classes in nearby primary schools (Table- 7). There has been more scope to send other children as well to go to schools. It has been also observed that in comparison with boys, girls are less attentive to go to school as it is seen that out of total 69 eligible boys, 55(80%) are going to school where as among 63 eligible girls, only 44(70%) are going to school. More emphasis should be given to send the eligible children, especially the girls to schools.

Table –7 : Status of children's education in the group members' houses

Union	Total children (6-10 years' age)			Children go to school (6-10 years' age)		
	Boy	Girl	Total	Boy	Girl	Total
Annadanagar	49	52	101	37	34	71
Itakumari	15	8	23	13	7	20
Kallyani	5	3	8	5	3	8
Total	69	63	132	55	44	99

Women's involvement in Income Generation Activities and their movement

It has been revealed that out of total group members under this study, 52% are somehow involved in running their own income generation activities. In the respective unions it was observed that 67% women group members in Itakumari and 75% in Kallyani are involved in IGAs while only 45% in Annadanagar union are running IGAs on their own. Most of the women members in this union had not been involved in IGAs because of two major reasons. Those were: a) there was no suitable scope to run IGA at the doorsteps of the women's households, ii) women themselves were not interested enough to run IGAs. On the contrary, women in other two unions have availed opportunities to run activities by own selves.

Table- 8 : Women's involvement in IGAs and their movement outside their houses

Union	Total women members	No. of women involved in IGA (age group 14 –50)	%	No. of women move outside their houses for IGA, health needs, social work etc.	%
Annadanagar	144	65	45	95	66
Itakumari	42	28	67	32	76
Kallyani	20	15	75	15	75
Total	206	108	52	142	69

Regarding women's movement during last three months it was found that 69% of the total women group members went outside their houses to meet their different needs. Women expressed that they visited clinics and schools; they participated in social works; they used to go outside in case of running IGAs etc. This was possible, as they mentioned due to their association with women group as active members and as they were involved in IGAs.

2.1.2.5. Sustainability Issue

Individual level

It is to be assumed that most beneficiaries, after having received regular services for five years of a development project, will not be in a position to maintain their living standard in the same way after the project cycle. RDSS is aware of this issue, and believes that livelihood pattern of the group members /borrowers have been uplifting gradually. However, still it has not developed any long-term plan to measure this.

Organizational level

In order to gaining organizational sustainability RDSS is stepping forward in getting independence on financial management, resources acquisition and human resources development. In this regard

Stromme Foundation (SF) has been facilitating the process and keep regular contact with other partner organizations, donors to achieve this. SF has provided monitoring tools on micro-finance management and organized necessary training to the respective staffs under those organizations. In the same way RDSS has been monitoring its micro-credit programme. It will take some time to be fully acquainted with the system by RDSS. Nevertheless, the system is going on, and it has put utmost importance to materialize the output. Once it would certainly be able to make the programme 'self-sustained.

RDSS management has not yet developed long-term plan of action in achieving overall financial sustainability (whole organizational).

Activity level

The Project has been trying to explore new area of activities in consideration to limited opportunity of income in the context of human, natural and financial capital reality. Facts underlying with this situation that the context is becoming different and operational system is facing difficulties. Some activities were economically viable, socially acceptable and environmentally sustainable. But due to exceed of saturation point of some activities such as cow rearing, poultry rearing and overlapping micro-finance RDSS should rethink about new interventions. Group discussions suggest continuing support on development of household level small enterprises and agriculture activities. It has been also found out that the main income sources of the group member's households are different than traditional income generation activities (Table- 6). It is to be mentioned here that, regarding institutional, social and environmental sustainability there has been no remarkable step taken by RDSS so far. Monitoring and internal assessment system, especially on these programme activities have not been taken place in time and as per need.

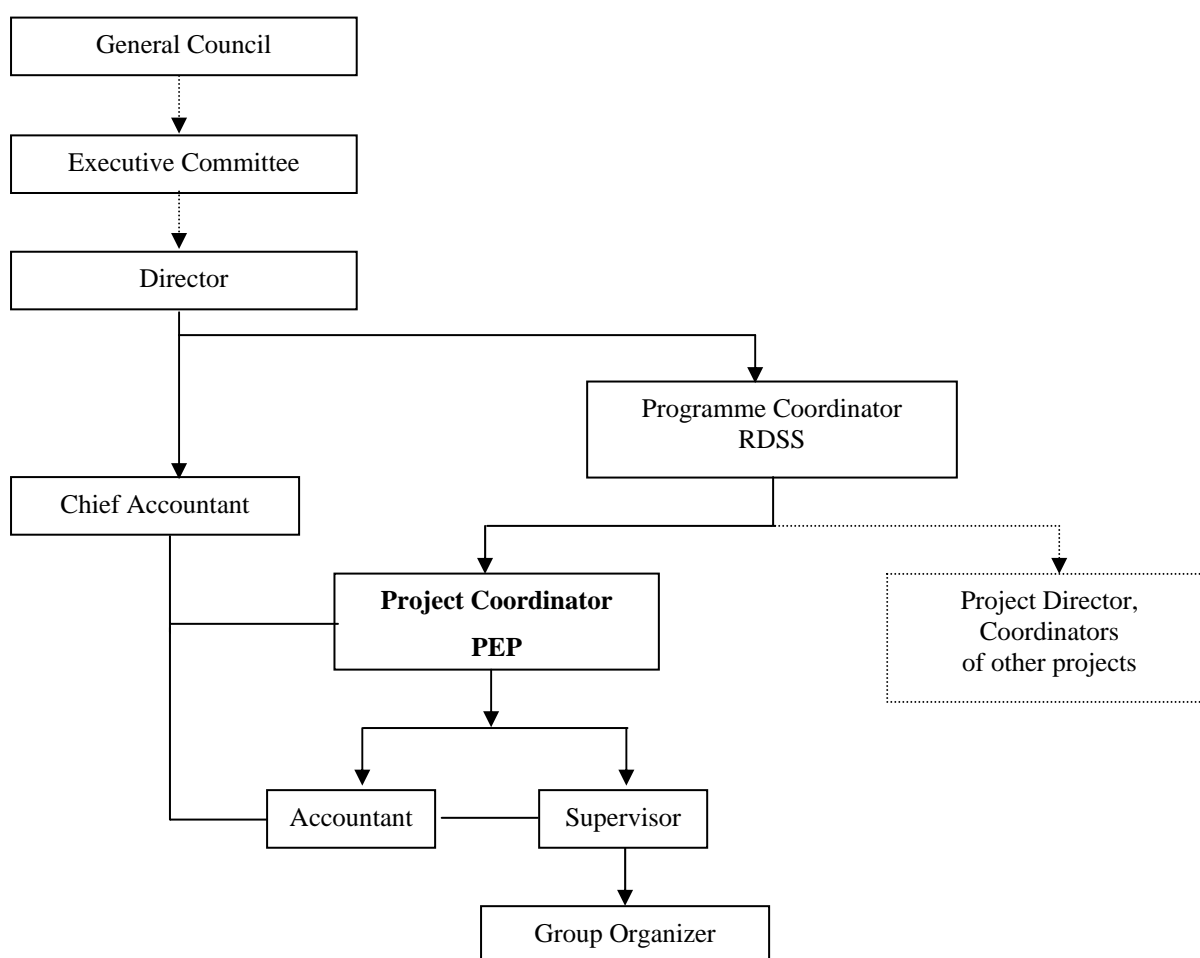
2.2. Project Management

2.2.1. Organizational structure of the project and RDSS Management

2.2.1.1. Project staff management

The supreme authority of the organization is obviously the General Council. In this council there exists 26 members. Executive Committee (EC) comprises of seven members from among those general council members. The Director of RDSS holds the position of General Secretary in EC.

The executive committee members are local people and most of them have experience on development programmes run by NGOs in greater Rangpur-Dinajpur area. Most of them have been involved with RDSS for more than 7 years in different ways. Some of them have their relation with RDSS as local personalities from its inception. All of them have trust on the leadership of present Director. It has been found that EC members are active and cooperative in upholding smooth management of the organization. There exists close communication among the EC members and the project management personnel regarding implementation of project activities and financial transactions. Following organogram shows the line management structure of the project.



The Director, as Chief Executive of the organization is the overall responsible authority for 'Poverty Emancipation Project (PEP)'. Under him one of the programme coordinators of RDSS has been assigned as line manager of the project. Again, one Project Coordinator directly heads the project at project area level. One accountant and two supervisors, at area office assist the project coordinator while at the union /village level the Group Organizers (GOs) are working with the groups /group members.

Group Organizers are the core staffs at the grass root level to make the project a great success. Each of them has assigned jobs at field and office level. It was an interesting finding, came out from the group

members' discussion session that, in many areas the field staff had been spending their time, which could also be done by the group members themselves. The areas (tasks) expressed by them were i. to organise 'sitting arrangement' of the group members during the group meeting; ii. to write group members' attendance register etc. Staff should carefully think the matter and could use their time to accomplish other important tasks.

2.2.1.2. Implementation Role of the Organization

RDSS has an operational plan to carry out development activities in the selected rural areas. A budget plan is usually made for each year, which has been followed according to the prescribed format supplied by SF. Yearly action plan is made for the proper implementation of the programme by appointing project personnel in the Head and area offices. The operational fields are situated at union level. The Project Coordinator is appointed who take the overall responsibility for the management of the project at field level. The organization provides financial support for the project implementation with the fund received from SF. Co-ordination with staff, Donor and local Government administration has properly been maintained. The co-ordination meetings held both at the Head and area office regularly. The organization arranges training for the staff to make them skill in their job performances. All necessary paper, format, register, account book, and other receipts, credit cards, application and agreement papers are supplied for the programme implementation purposes.

It has been found that at project office level a Group Organizer (GO) is handling 10 groups in average. The consultant feels that one GO could manage more groups. It could be possible to manage 15 groups by a GO. In that case union and village-wise group distribution needed to be re-organized. In respect to cost-effective issue, it should be thought out in that way. Two Supervisors for this project is sufficient to manage all activities. In that case a separate 'Project Coordinator' for this project is not needed. The Programme Coordinator of RDSS from head office can easily monitor project activities. S/he can be a 'part-time' based staff within this project organogram who will be supervised by the Director. In the field it was observed that the assigned project coordinator had been absent in the area office from the last 3-4 months. In that situation supervisors managed programme activities at field and at area office level. Organization might think of giving responsibility to the senior most supervisor to head the office in addition to his all existing field works. The accountant, as a newly appointed staff at the area office has not been oriented properly, especially on micro-credit operation.

2.2.1.3. Transparency of Allocation of Project Resources

a. Project Fund

Total fund of this project has been allocated by two different parts. A portion of the fund is allocated as 'Grant', mainly to build up management capacity of the organization; another portion is 'Revolving loan fund', which would have to be repaid by the organization to the donor with 7% (declining) service charge. Out of total fund released by SF to RDSS, 42% has been allocated for building capacity of staff and overall management of organization. This is a very good arrangement between a donor and implementing agency to step forward towards sustainability.

Table- 9: Budget allocation by year and type

Year	Fund requested by RDSS (as per project application) NOK / Tk.	Fund released by SF (Actual fund received by RDSS) Tk.	Variance (actual fund less than budget)	Allocation of fund		Service charge paid to SF
				For capacity building (grant)	As revolving loan fund	
2001	Tk 2,273,312 [NOK. 284,164]	Tk. 993,000	56%	693,000 [70%]	300,000 [30%]	3% (Flat rate)
2002	Tk. 2,679,015	Tk. 1,350,000	50%	400,000 [30%]	950,000 [70%]	7% (declining)
2003	Tk. 2,726,243	Tk. 2,017,241	26%	757,241 [37.5%]	1,260,000 [62.5%]	7% (declining)
Total	7,678,570	4,360,241	43%	1,850,241	2,510,000	

Note: Total budget for five years: Taka 9,675,909 (*as per letter of intend issued by SF to RDSS*). In that respect RDSS received 45% of the total committed fund from SF with in last three years.

Nevertheless, it has been seen from the above table that there are some discriminating factor regarding each year's fund allocation. In the first year out of total fund from SF, 70% was given as grant for capacity building; in the second year it came down to only 30%; and in the third year it was again increased to 37.5%. When discussed, the RDSS management could not explain the reasons behind it in a right /uniform way. But at the same time it was found that capacity of using revolving loan fund was built up promisingly. It was found that compared to first year, loan revolving fund in the second year was 217% higher, and in the third year it was increased to 33% than that of second year. This trend indicated gradual increasing aptitude of disbursement of loan to the borrowers.

There was gap between the budget prepared by RDSS and fund release by SF in each year. For all three years variance between budget figure and actual fund release figure stood at 43%, while in the first year it was 56%(highest) and in the third year it was 26%(lowest). Reasons behind it might be either RDSS was too optimistic and put unrealistic figure against project activities or SF was conservative in releasing funds to its partner. RDSS could not show any revised project proposal on the basis of actual fund they received. However, they developed revised budget of the project activities as per format provided to them by SF. Consultant sensed it important to make it clear earlier from both the sides.

b. Maintenance of Books and Records

The RDSS project management has introduced a routine system through regular verification of vouchers, cashbooks, ledgers and registers to ensure proper maintenance of books of accounts and accurate reporting on time. A formal sub-committee was formed for procurement of goods and services. Cheque register has been introduced for control of project funds. The Director and the chief accountant were found to be sincere in monitoring the project's finance unit on regular basis.

The consultant observed that the budget - expenditure variances were analyzed on periodical basis. Financial monitoring is a continuous process, practicing by the management. RDSS management informed that they realized that monitoring is very important and equally necessary for safeguarding of financial resources and to know the state of affairs of the organization.

Cash Flow Plan is practicing showing budget line wise outflow of liquid cash. Monthly fund request is being made by project staffs in consistent with physical activities plan. The consultant found sufficient financial projection for periodical income, in terms of service charge and recovery of RLF. SF, in this respect has been playing a vital role to maintain this properly and provides necessary training and guidance. However, according to the present perspective it has been experienced that respective accountant, supervisors, and even the group organizers need more in-depth and practical training at the field of activities to develop themselves as per needs.

The consultant found that the provisions of savings and credit manual for proper control in the project office level not maintained subsidiary books on regular basis. There lacks efficient controlling of cash / bank balances with borrower status. It was observed that the group organizers (and the supervisors) were irregular to update group member's savings passbooks. In many passbooks they did not write figures of cumulative savings along with yearly profit, which the group members supposed to get from RDSS's RLF.

The Accountant at the project area office control cash, maintain bank passbooks / statements, group organizer's collection sheet and monthly collection report and reconciliation made by him in time.

c. Auditing

RDSS's constitution has the provision for auditing of organization's accounts on yearly basis. In regards to this the consultant found that the audit was conducted each year in time by the reputed professional chartered accountants firms, enlisted with the NGO Affairs Bureau, Government of the People's Republic of Bangladesh. Appointment of the auditor was made in consultation with Stromme Foundation and due approval of the executive committee. Before appointing the auditor a formal terms of reference (TOR) finalized. The auditors have certified Balance Sheet, Income & Expenditure Account, Receipts & Payments Account and Comparable Accounts etc. FD-4 and

Annexure A-1 for the requirement of the NGO Affairs Bureau was affixed in the audit report. The audited accounts were submitted to the donors and the government. The Revolving Loan Fund and local fund was also audited, thus complied with the provisions of the constitution and also the government rules.

2.2.2. Organizational Image, Participation and networking

Communication and liaison with the external institutions including donor and government offices are classical administrative functions. So, separation of liaison function from administration shows some uniqueness. However, it burdens the overhead of the organization. The Director himself works as liaison officer and he remains quite busy with those works and so, sometime he can spare a little time in 'staff development' process. The second line management (i.e., the Programme Coordinator, Chief Accountant) entrusted with the preparation of project proposals, managing field operations, facing the outside visitors at field and other related management tasks.

RDSS as a local NGO has a good reputation and image in the locality for its innovative community development approaches incorporating education, nutrition and preventive health, micro-credit, enterprise development, and socio-economic development activities. Staff members at senior level are capable to relate with various segments of the communities but significant improvement required by staff at the middle (Supervisor) and lower levels (group organizer).

Project participants, who are generally called in one project by 'Beneficiaries' while in other project called by 'Clients', have their creativity in identifying right types development interventions. They have their own opinion in implementing programme activities at their doorsteps. The main object is - whether they are asked by the organization to participate in designing development projects, which are always targeting to improve their socio-economic conditions. It is true that the beneficiaries are rarely asked to join in designing or preparing projects under NGOs, in general. Same the case happened with RDSS. However, when these issues were discussed with them at field, they showed their utmost interest to express their opinions on the development programme activities run by RDSS in this area. Still and all, RDSS has developed a close relation with the project participants through implementing development activities and it has every acceptance in the community for its endless effort to do the betterment of the poor people in the area.

It has been found that in general the beneficiaries have much appreciated about their relationship with the staff of RDSS. However, due to programmatic limitations and because of their less experience on programme management, staff might not be able to keep the group members happy equally. For an example, defaulting group members (especially the loan defaulters) and who are not qualified to receive loans and/or due to lack of resources who could not be included in the loan programme did not appreciate the staff relations in the same language with the others. Besides this, the overall communication and relation among the staff and group members is quite good.

RDSS management including the Director maintains a professional relationship with the Local Government Administrative units as required while relationship seen much stronger with the local NGO communities and other partner NGOs. But the executive committee members seemed to be hesitant to maintain liaison either with the local government cells or with any donor agency. It has also been found that the Director is a bit disinclined to seek new / potential donor and to looking forward to establish more exposure at the national level through getting itself involved in the national development mainstreams.

2.3 SWOT Analysis

2.3.1. Unused Strengths / potential of RDSS

The organizational strength exists in the grassroots level. Staff members within the organization are committed to the further development of the organization. RDSS has a scope to mobilize local available resources within its project areas, which can be used for income generation. To attain this it is needed to strengthen the village /union based beneficiary groups. The project has a beneficiary potential of 1,714 direct members from same number of households / families (and along with indirect beneficiaries it stands at around 9,500) to work with. It has strong desire to attain socio-economic development of the disadvantaged people in all stages.

Strategic apex believes that the poor people, especially women have more scope. The existing delegation of power can be taken advantage of.

The specific **strengths** of the project are as follows:

- Community people are responsive to the project
- Micro-credit service delivery and promotion of economic development activities in together have benefited the poor families economically and at the same time, socially.
- Committed staff at the top level (Director and personnel at second level management)
- Updated record maintenance.

2.3.2. Weaknesses

It appeared that inter-organizational (inter-group at village level) linkages are not adequate. In greater Rangpur- Dinajpur there are many NGOs implementing similar programmes with slightly different approaches. In future, RDSS would have to establish innovative workable linkages with these institutions. Insufficient co-ordination among donor community might be another weak area, which may affect project activity in the long run.

Group Organizers have insufficient understanding on comprehensive multidisciplinary technical and social aspects of development. This includes primary understanding on institutional aspects and targeting the poor. Discussion with the group and RDSS staff reveal that the group member's households need some more effective support services such as ensure of inputs, linkages with both financial and social organizations, linkages with service delivery institutions such as health, and education.

The specific weaknesses of the project are as follows:

- Training support along with loan programme was inadequate and not co-related.
- Frequent turnover of project staff at project area level.
- Lack of project analytical understanding of project staff both at the supervisor and group organizer level
- Dropout /Inactive village groups.
- There existed no experienced / skill staff at head office level to run and manage micro-credit programme effectively.

2.3.3. Organizational External Environment Analysis

The external environment analysis of RDSS can be divided into opportunities and Threats Analysis.

Opportunities

RDSS perceives opportunities in the use of skills provided by SF and its other partner organizations in Bangladesh. Training, exchange of ideas and orientation on development issues are typical examples.

The project area is suitable to work with the community people. If RDSS concentrates on utilizing its resources and capabilities to improve quality as well as coverage of the poor people in the existing geographical area, a quite unique development capacity can be offered to donors.

Extended support services from the donor (SF) on organizational capacity building, especially on promoting micro-finance programme is an opportunity for RDSS to exploit.

Threats

Some groups or organizations consider that RDSS programme implementation policies are not supportive to their traditional thinking. Some others desire to enjoy facilities, which are difficult to comply with.

Changes in the local power structure make the previously managed situation into a new difficult situation again.

3. CONCLUSION AND RECOMMENDATIONS

RDSS has been implementing development programme activities through 'Poverty Emancipation Project (PEP)' in order to uplift socio-economic condition of the distressed people in Pirganj thana under Rangpur district. Working with the community people in such remote area is a challenging job for the grassroots level worker of PEP. Nevertheless, the workers management team spared no pains to satisfy the people, particularly the project participants at villages with their careful discharge of duties. During implementation of development activities at field staffs had to face some practical situation with which they had not been familiar earlier. In some cases it has been successful, and in some cases it could not fulfill the requirement. It is also true that it would take long way to see the real 'impact' and to achieve 'sustainability' of the project participants and their families through such integrated project. And so, it is necessary to continue such project with an intention to make the project participants, the community people and other related stakeholders self-aware and self-sustained. To achieve this, it is needed to ensure participation of all stakeholders in designing, implementing and evaluating the project.

Considering the facts and factors those were found out in the field during this study, the consultant is hereby considering a continuation of such type of project provided that shortcomings are tackled successfully by RDSS.

The consultant discussed with all sections of stakeholders closely and experienced that, any development project for the distressed people at rural area, whether in education, health services, micro-credit, economic or other sectors, can benefit a great deal from talking with the project participants about their specific experiences, ideas and attitudes. The consultant went into every detail of the project activities and tried to gather information. It has not only been looked into the problems and shortcomings of the project but also into its possible solutions those are summarized as observations and recommendations below.

Recommendations

1. Average size of a group should be within 20 to 25 members. Otherwise it would be difficult to maintain quality of group in the long run.
2. In order to develop group/ group leader's capacity it is needed to 'facilitate', not to make the members dependent much on RDSS staff. Members should always think of shouldering responsibility on their own to establish 'people's institution at the grassroots level.
3. One union (Kallyani Union) with only three groups should either be excluded or more groups (at least 15) should be organized so that it would be rational to put one group organizer to work there. Concentration should be put in one union rather than scattering activities in different unions.
4. To extend more social activities with the group members it is needed to fix specific date and time with the respective group. Reasonable time is needed to discuss social and environmental issues in an in-depth way. Action plans also should be made in that meeting in consensus with the group members.
5. To implement social programme activities it is needed to develop group organizers and supervisors' quality in analyzing social issues, and so they become able to mobilize the people in that respect.
6. Group members should be mobilized enough to generate more savings fund of their own.
7. In the group member's individual passbook all types of financial transactions including cumulative savings, credit balance, profit they earned from RLF etc. should be updated and duly written by the respective group organizers /supervisors.
8. Group members should be entitled to take loan from their own savings fund in case of emergency needs.

9. In relation to present environmental context, government and other organizations' supports at union level, and in relation to various economic and social support services provided by RDSS, 100% of the group member's households should have access to hygienic latrine.
10. More emphasis should be given to send the eligible children, especially the girls to schools.
11. More need based skill training should be organized for women group members. Potential entrepreneurs should be identified and developed from among the women members.
12. Appropriate policy should be developed to cover extreme poor people into micro-credit programme.
13. More groups should be organized surrounding the local market place so that borrowers could explore their businesses easily in those markets.
14. Enterprise loan: Some loans could be provided to marginal businessman in the local market. Presently they are taking loan from traditional moneylenders. They can't do well in generating profit due to high interest rate of loan (100% –120% per year). Some of them expressed to the staffs in area office to have loan from here. RDSS management could consider the new idea tactfully, without distressing organizational basic norms and objectives.
15. Concerning micro-finance policy and sustainability issue, per head loan amount should be more than it is now. Because, making three loans of Taka 3,000 each is more costly than one loan for Taka 9,000.
16. It needs more concentration by RDSS staff in calculating standard micro-finance management report supplied by SF. Concerned staffs need more orientation /training on this and all of the related staff under micro-finance unit should practice it regularly.
17. Stress should be given to use loan more in productive purpose. Group discussions suggest continuing support on development of household level small enterprises and agriculture activities.
18. RDSS should revolve more money into its revolving loan fund. It should be careful enough to minimize its present liabilities with different parties
19. RDSS should develop long-term action plan in order to achieve sustainability at individual /household level.
20. It would be possible by one group organizer to manage 15 groups in average. In that case union and village-wise group distribution needed to be re-organized. In respect to cost-effective issue, it should be thought out in that way.
21. Two Supervisors for this project is sufficient to manage all activities. In that case a separate 'Project Coordinator' for this project is not needed. The Programme Coordinator of RDSS from head office can easily monitor project activities. S/he can be a 'part-time' based staff within this project organogram who will be supervised by the Director.

ANNEXES

ANNEX- I

Status of Revolving Loan Fund (From the beginning to November 2003)

Name of Union	Total Member	Total Savings	No. of Borrower	Loan Disbursement		Loan Realized		Loan Outstanding		Over due	
				Principle	Service Charge	Principle	Service Charge	Principle	Service Charge	Amount in Taka	Borrower
Itakumari	18	18010	18	102000	15300	60680	8956	41320	6344	1050	2
	24	28990	23	85000	12750	45702	6906	39298	5844	750	4
	24	21660	24	59000	8850	23500	4200	35500	4650	200	1
	21	21870	21	98000	14700	65730	10060	32270	4640	-	-
	28	30750	28	108000	16200	64270	9688	43730	6512	1840	2
	31	31880	31	121000	18150	48826	6774	72174	11376	1240	4
	26	29500	26	76000	11400	37380	5269	38620	6131	-	-
	27	28180	25	70000	10500	25722	3735	44278	6765	-	-
	32	31160	32	125000	18750	48560	7284	76440	11460	-	-
	22	24580	22	95000	14250	66820	10042	28180	4208	7893	16
	20	19550	20	125000	18750	62800	9411	62200	9339	1242	2
	21	21330	20	67000	10050	34140	5132	32860	4918	-	-
	23	30130	23	120000	18000	56680	8502	63320	9498	-	-
	32	25570	32	93000	13950	53529	7905	39471	6045	-	-
	21	21510	21	121000	18150	69490	10337	51510	7813	7078	9
	26	25470	26	108000	16200	60860	9166	47140	7034	-	-
	29	33080	29	114000	17100	64684	9681	49316	7419	-	-
	30	28060	30	78000	11700	28839	4249	49161	7451	-	-
	30	26670	26	92000	13800	43160	6596	48840	7204	1173	3
	18	16020	18	56000	8400	30960	4647	25040	3753	3519	2
	26	23030	26	102000	15300	42227	6317	59773	8983	-	-
	26	22820	26	98000	14700	43580	6537	54420	8163	-	-
	26	17590	26	76000	11400	36160	5754	39840	5646	-	-
	23	21540	23	92000	13800	39230	5933	52770	7867	-	-
	34	27800	34	92000	13800	26180	3903	65820	9897	-	-
	35	22150	35	110000	16500	42650	6409	67350	10091	-	-
	26	15160	25	90000	13500	59842	8583	30158	4917	-	-
	20	9750	18	44000	6600	25480	3722	18520	2878	-	-
	18	16910	18	56000	8400	23440	3516	32560	4884	-	-
	20	7510	19	53000	7950	28100	4215	24900	3735	-	-
	18	4650	18	44000	6600	28480	4272	15520	2328	-	-
Sub-Total	775	702880	763	2770000	415500	1387701	207701	1382299	207799	25985	45

Evaluation Report: Poverty Emancipation Project (PEP)

Name of Union	Total Member	Total Savings	No. of Borrower	Loan Disbursement		Loan Realized		Loan Outstanding		Over due	
				Principle	Service Charge	Principle	Service Charge	Principle	Service Charge	Amount in Taka	Borrower
Annadanagar	17	21590	17	48000	7200	19968	2552	28032	4648	-	-
	27	28320	27	91000	13650	35270	5291	55730	8359	-	-
	22	22030	22	76000	11400	41020	6153	34980	5247	-	-
	27	25740	26	75000	11250	30384	4561	44616	6689	-	-
	31	18240	29	60000	9000	15660	2361	44340	6639	5947	4
	22	25760	20	59000	8850	13140	1956	45860	6894	2922	3
	18	21870	18	105000	15750	63480	9534	41520	6216	-	-
	22	19040	20	85000	12750	59710	8964	25290	3786	-	-
	11	12420	11	91000	13650	74990	11238	16010	2412	1516	2
	17	18120	16	42000	6300	23110	3562	18890	2738	450	3
	24	35220	24	54000	8100	27290	4124	26710	3976	-	-
	19	23110	19	98000	14700	49000	7359	49000	7341	-	-
	18	11850	18	58000	8700	38420	5765	19580	2935	-	-
	20	17710	18	68000	10200	40260	6031	27740	4169	-	-
	23	34490	23	80000	12000	12155	1832	67845	10168	2118	3
	34	30520	26	102000	15300	8100	1283	93900	14017	-	-
	31	37790	31	92000	13800	48200	7230	43800	6570	-	-
	22	16280	20	90000	13500	49890	7462	40110	6038	-	-
	16	17650	16	52000	7800	24860	3729	27140	4071	-	-
	32	24170	28	90000	13500	31120	4662	58880	8838	-	-
	21	16550	20	61000	9150	28960	4344	32040	4806	-	-
	09	9860	08	60000	9000	32640	4866	27360	4134	-	-
	31	27390	31	104000	15600	54860	8229	49140	7371	-	-
	03	2060	03	34000	5100	31814	4776	2186	324	2622	2
	27	21620	21	68000	10200	37541	5697	30459	4503	764	2
	43	37160	40	125000	18750	82160	12509	42840	6241	138	1
	16	15010	15	69000	10350	48520	7211	20480	3139	-	-
	17	16410	16	45000	6750	17186	2604	27814	4146	644	1
	05	8300	05	34000	5100	24060	3581	9940	1519	1172	3
	32	30260	32	104000	15600	40360	9153	63640	6447	-	-
	18	18770	18	80000	12000	52720	7939	27280	4061	-	-
	21	21100	21	65000	9750	30980	4643	34020	5107	-	-
	24	11810	12	54000	8100	45060	6777	8940	1323	-	-
	33	21860	32	106000	15900	51890	7804	54110	8096	-	-
	26	7570	25	80000	12000	59360	8904	20640	3096	-	-
	21	13130	18	48000	7200	20340	3051	27660	4149	-	-
	15	7250	13	40000	6000	28090	3363	11910	2637	-	-
	19	9840	18	92000	13800	52320	7854	39680	5946	-	-
Sub-Total	834	757870	777	2785000	417750	1444888	218954	1340112	198796	18293	24

Evaluation Report: Poverty Emancipation Project (PEP)

Name of Union	Total Member	Total Savings	No. of Borrower	Loan Disbursement		Loan Realized		Loan Outstanding		Over due	
				Principle	Service Charge	Principle	Service Charge	Principle	Service Charge	Amount in Taka	Borrower
Kallyani	23	24180	23	85000	12750	42220	6333	42780	6417	-	-
	19	20180	19	66000	9900	34480	5172	31520	4728	-	-
	25	25730	25	93000	13950	44400	6660	48600	7290	2160	1
	30	30170	30	82000	12300	26420	3962	55580	8338	-	-
Sub-Total	97	100260	97	326000	48900	147520	22127	178480	26773	2160	1
Fish Culture											
	08	-	08	50000	7500	17500	4500	32500	3000	35500	8
Sub-Total	08	-	08	50000	7500	17500	4500	32500	3000	35500	8
Grant – Total	1714	1561010	1645	5931000	889650	2997609	453282	2933391	436368	81938	78

ANNEX- 2

Baseline status of five sample groups under Annadanagar and Itakumari unions Status as in September 2001

Sl	Name of Group	No. of Group member	Type of Latrine in the group member's household		No. of households use tube-well as the source of drinking water	No. of households with main source of income					Average monthly income per income earner in the household	No. of women involved in IGAs
			Ring-slab	Kancha /open		Small trading	Agriculture	Day labourer	Rickshaw pulling	Service		
1	Prativa Mahila Samity	19	1	18	19	19	-	-	-	-	2375	-
2	Swajan Mahila Samity	21	-	21	21	4	4	12	1	-	2042	2
3	Deepshikha Mahila Samity	17	4	13	17	5	6	4	-	2	3965	2
4	Karatoa Mahila Samity	30	2	28	24	10	15	3	2	-	2875	5
5	Beli Mahila Samity	30	15	15	30	5	18	-	7	-	3916	21
Total		117	22	95	111	43	39	28	10	2	3035	30
%		100	19	81	95							

