

# STRATEGY PAPER

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## STRATEGY PAPER

### 1. Background

The Aga Khan Rural Support Programme (AKRSP) was approved for registration as a Company Limited by guarantee with the Articles and Memorandum of Association by the Board of the Aga Khan Foundation (AKF) in November 1981. The proposal for setting up the AKRSP was based on the recommendations of the Aga Khan Foundation Team of Experts which visited Northern Area in July 1981. The two documents namely "The Report of the Experts Group" and the proposal for a "Rural Development Programme in the Northern Areas of Pakistan" prepared for the Aga Khan Foundation (Pakistan) contain detailed information relating to land and people of the region including the administrative set up etc. It is not the intention here to repeat in this paper what has already been said in the two aforementioned documents. For background information, this paper commends those two documents. In carrying out analysis of the existing situation, an attempt has been made to further elucidate some of the factors already brought out in the earlier papers or in some cases to indicate new evidence which has come to notice since the inception of the AKRSP.

### 2. Situation Analysis

As recommended by the AKF Team and approved by the AKF Board, AKRSP has concentrated its activities on Gilgit district. Due to winter conditions, activities have not as yet been extended to part of Chitral district as envisaged in the approved proposal.

#### 2.1 The Population and its composition

(a) Five sources of data were examined in an attempt to establish the orders of magnitude of variables listed in Table-1: LB & RD Survey (1978) of the Northern Areas, CBS Survey (1982) of 20 Gilgit villages, WAPDA Survey (1981) of 12 villages around Gilgit Town, AKRSP Diagnostic Survey and some population census figures. Of these sources, the LB&RD data are the most comprehensive; other data were therefore, used to check particular figures in the LB&RD data. Further, checks for internal consistency were also made on LB&RD data. Table-2 will be used as a point of reference for population figures in this paper.

(b) The Labour force and its composition:

By "Labour Force" is meant the total number of men and women engaged in non-household (or non-domestic) activities, either full-time or part-time. The concept defined here includes activities for both marketed output and own consumption: it is not the same thing as "number of employed people" (whatever that may be).

Computations for estimating the size and composition of the labour force are based on the same sources of data as Table-1. Table-2 is this paper's benchmark for labour force data.

TABLE - I

#### **Gilgit District - 1**

##### Estimates of population (1983)

1.	<u>Aggregates</u>	<u>Orders of magnitude</u>
	Children (under 15)	72,780
	Men	66,940
	Women	60,340
	Total population (say)	200,000
	No. of households	24,000
	No. of villages	160

2.	<u>Average per village</u>	<u>No. of magnitude</u>
	Children (under 15)	455
	Men	418
	Women	377
	Total population	1,250
	No. of households	150
3.	<u>Average per household</u>	
	Children (under 15)	3.03
	Men	2.79
	Women	2.51
	Size of households	8.33

TABLE - 2

Size and composition of the labour force

1.	<u>Both sexes</u>			
	<u>Occupations</u>	<u>Number</u>	<u>Percentage</u>	
	Agricultural	72,860	85	
	Non-agricultural	12,540	15	
	Total:	<u>85,400</u>	<b>100</b>	
2.	<u>By sexes</u>	<u>Men</u>	<u>Women</u>	
	<u>Occupations</u>	<u>No.</u>	<u>%</u>	<u>No.</u>
	Agricultural	48,160	80	24,700
	Non-agricultural	12,040	20	500
	Total:	<u>60,200</u>	<u>25,200</u>	
3.	<u>Some more ratios</u>			
	Percentage of women in the labour force		30 %	
	Percentage of women in agrl. labour force		34 %	

(c) The Household

It is now possible to put together Table 1 and 2 to develop a fictitious economic profile of the average household in Gilgit district. This profile will be of value in estimating wealth and income per household.

Thus what our household looks like:

Children (under 15)	3.03
Men in the labour force	2.51
Women in the labour force	1.05
Residual household	1.74
Total:	<u>8.33</u>

2.2 Physical capital

(a) Land

TABLE - 3

Agricultural land and its uses

1.	<u>Aggregate</u>	<u>Kanals</u>	<u>%</u>
	Cultivated land	295,000	35
	Orchard	65,000	8
	Forest	66,000	8
	Uncultivated land	414,000	49
	(can be developed)	(118,000)	(14)
	(cannot be developed)	(296,000)	(35)
	Total:	<u>840,000</u>	
2.	<u>Average per household</u>	<u>Kanals</u>	
	Cultivated land	12.3	
	Orchard	2.7	
	Forest	2.8	
	Uncultivated land	17.2	
	(can be developed)	(04.9)	
	(cannot be developed)	(12.3)	
	Total:	<u>35.0</u>	
3.	<u>Averages per village</u>	<u>Kanals</u>	
	Cultivated land	1,845	
	Orchard	405	
	Forest	420	
	Uncultivated land	2,580	
	(can be developed)	( 735)	
	(cannot be developed)	(1,845)	
	Total:	<u>5,250</u>	

(b) Other Agricultural Assets

Agricultural machines and implements are conspicuous by their isolated presence. For instance, there are reported to be only 2 threshers in Ishkoman Tehsil. Although no systematic data have been collected so far, the ownership of tractors seems to be concentrated in Gilgit Sub-division, with Hunza probably in second place. The tractors are used mainly for transporting freight along jeep roads. As for farm implements, the only ones to be found are the traditional ones.

TABLE - 4

The Livestock Population

1.	<u>Aggregate</u>	<u>No.</u>
	Cows	49,000
	Bullocks	18,000
	Sheep	110,000
	Goats	173,000
	Poultry birds	61,000

Also reported: Buffaloes (64), Yaks (2,386) and others (6,000).

2. Averages per household

Cows	2.04
Bullocks	0.75
Sheep	4.58
Goats	7.21
Poultry birds	2.54

(c) Non-agricultural physical capital

The principal item in this category is the household dwelling unit. This is almost invariably a kutcha house of variable proportions. It is impossible to ascertain the average size of dwelling unit and the area on which it is built.

Another difficult item to estimate is the quantity of movable assets per household - this includes furniture, jewellery etc.

2.3 The Sources of Income

(a) Agricultural Sources

Per household data vide Table 3 and 4 can be allotted under the headings "Agricultural Physical Capital-Immovable" and "Agricultural Physical Capital - Movable" as indicated below:

Agricultural Physical Capital - Immovable

Only livestock is listed and valued here:

<u>Livestock</u>	<u>Heads</u>	<u>Price</u>	<u>Value</u>
Cows	2.04	1,100	2,244
Bullocks	0.75	850	638
Sheep	4.58	700	3,206
Goats	7.21	800	5,768
Poultry birds	2.54	45	114
	Total value:		<u>11,970</u>

(b) Non-agricultural sources

Casual observation indicates that a kutcha house build on 1/2 kanal of land, would cost about Rs.12,000/- to purchase in most of the district's villages. No attempt was made to estimate the value of any other assets.

## 2.4 Investment: The addition to wealth

### (a) Land

Two types of profitable activities can be identified: increasing the available cultivated area (land development) and increasing the productivity of existing cultivated land (productivity investment). Land development can be accomplished by providing irrigation water to barren land where possible technically. Productivity investment involves introduction of increased and reliable supply of inputs such as water, fertilizer and improved seeds for use on existing land. As indicated earlier, uncultivated land per household is 17.2 kanals. Of this, villagers have reported 4.9 kanals of land that can be developed. In Gilgit district, under the assumption that the price of land will decrease by the same percentage as the increase in cultivated land i.e. 40% of all the land that can be developed (117,600 kanals) is in fact developed, the price of cultivated land will decrease to Rs.5,360/-. The net benefit of all land development projects, would come to more than Rs.439 million or Rs.18,326 per household. The constraint in land development is lack of capital that can be borrowed by villagers and invested in expectation of handsome net return. Another constraint is the farmer's inability to use inputs for increased productivity which emanates from his inability to take out production loans. In addition there is also the institutional constraint - a delivery system and a marketing chain, for example, from fertiliser factories down-country to villages on remote mountain tops.

### (b) Livestock

Considering the environment of the district and the failure of species imported from outside the region, there seems to be little to be gained from the introduction of "more productive" livestock. Species that are "more productive" elsewhere also require larger amounts of feed and other inputs that can be obtained locally. In the foreseeable future, increases in the value of livestock seems to depend upon increase in the availability of fodder and pastures. The major source of such increases has to be additions to cultivated land, discussed above.

## 2.5 Human capital - Opportunities and constraints

As noted above, crop yields in Gilgit match those in Pakistan, even though modern inputs are not available in the district. This is testimony to the ability of Gilgit villagers to farm the land as efficiently as present constraints would allow them to. However, once modern inputs become available, the cultural practices of farmers here will have to change, to obtain maximum returns from investments in physical inputs. However, given the present structure of markets and incentives, the returns to extension education appear to be very small. It is no coincidence, therefore, that extension appears nowhere on the lists of priorities obtained in 53 villages during the AKRSP Diagnostic Survey. The situation will change dramatically once modern inputs favoured by the villagers are introduced in the region, since extension and the use of modern inputs are complementary activities in agricultural production. International evidence suggests that investments in extension pay for themselves many times over. At present, however, there exists no agency for imparting extension education at the village level in Gilgit district.

## 3. Needs and problems

3.1 In the equation of social progress and agricultural development, one important but often overlooked factor is the inspired, voluntary and organized endeavour of the farmers to enter into an effective working relationship with the government or programme authorities. The organization of farmers by themselves, to participate in agricultural and rural development and to help build an appropriate institutional frame-work through which technical and other forms of assistance can be channelled and to foster and strengthen the national development programme at the grassroots levels, should constitute the main objective of a coordinated approach to agricultural development in rural areas.

3.2 The ability and willingness to respond to the innovation of methods and techniques of agricultural production are closely tied up with three factors - way of organizing the

farmers, the level of his technical know-how and his social and cultural context. It is essential, therefore, to regard investment in people as important as the financial economic investment in large scale agricultural projects.

- 3.3. The distinction between the village organizations (VOs) built up from below and the statutory bodies created by the government from above is very critical. The VOs have to be conceived in terms of new local level organizations as a means of social promotion to create gradually a class of enlightened and responsible farmers who understand the benefits and implication of the agricultural development; who are also able to manage their own affairs and also willing to pull to their weight in the development effort.
- 3.4 The VOs have to be conceived in terms of new structures and new organized patterns which would bring all the functions together into a new syndicate encompassing all the agricultural, social and commercial needs of the farmers, avoiding any functional or area overlapping. The chief objective of VOs should be the promotion of human and social development.
- 3.5 Improvement to the irrigation systems, better water distribution and control, land development, provision of better marketing and transport facilities, inputs such as fertilizers, agro-chemicals etc., and the supply of agricultural credit which are expected regular functions of the VOs require a combination of local organization and administrative infrastructure backed with financial support. The remedy therefore, is to create a single multi-purpose organization to cover all the social, economic and institutional life at the village level, within a reasonable reach of the farmer in the geographical as well as social, economic and institutional sense.

#### 4. Objectives

##### 4.1 General objective

The ultimate aim of the programme is to develop an innovative replicable model by a small non-governmental organization acting as catalysts of rural development through working with local people to identify and appraise project opportunities, to develop local skills and organizations, and to promote the provision of needed services for tackling problems of high mountain valley areas, in particular, in the developing world.

##### 4.2 Specific objective

The programme aims at improvement in the rural conditions of the people of the Northern Areas (NAs) through (a) building of productive physical infrastructure at village level, such as, irrigation channels, land development, flood protection works, link roads for marketing etc., (b) fostering of an administrative infrastructure for making good advice available to small farmers through extension education complemented with supply and accessibility to inputs and agricultural machinery etc., and (c) building up a social and economic infrastructure i.e. a series of VOs to help the small farmers to overcome handicaps of subsistence holdings.

#### 5. The Approach

The approach of the programme is based on the following principles:

- 5.1 Although the selection of the most appropriate level for agricultural and rural development would have to be determined by each region taking into consideration the particular conditions operating, some considerations that could objectively determine this process would include; (i) its coverage of an area viable enough to allow the provision of essential services and upgrading of managerial and productive skills of rural poor through group action to assist in the mobilization of resources for activating a locally inspired development programme; (ii) its feasibility to facilitate direct and indirect participation in the plan development process; (iii) its coincidence with the lowest level of

the administrative hierarchy; and (iv) its link up with primary growth centres and markets.

- 5.2 Similarly agricultural and rural development, in practice, would imply the location of a development centre, including people's organizations and the administrative infrastructure, at that level to provide coordination, to mobilize and organize people's participation, to plan for infrastructure and economic development, to facilitate the undertaking of a diagnostic survey or village profiles and supply training inputs to village level cadres. The first step in the planning process would, therefore, be a diagnostic survey elaborating on primary and secondary data and supported by an extensive process of consultation with the villagers. Dialogues of this type are instrumental in providing perception of problems and requirements leading to provision of projects that are overlooked by more distant planning processes. It is, therefore imperative that such planning capability, in the form of a development unit of mixed skills for both planning and implementation, should be located as close to the people as possible. The most appropriate location could be at the development centres. This also entails a low level of technical sophistication, if services are to be provided on an extensive scale.
- 5.3 The bringing of the rural poor in an organized fold seems to be the key to ameliorating their economic and social condition because it is only as a group that the villages have the capacity to articulate problems and evolve solutions to their problems; only through organizations and collective responsibility can credit be made available to the small farmers; as an organized group knowledge on agricultural can be obtained more quickly and in more relevant form and investment becomes possible only through individual savings in a cooperative society and the resulting capital accumulation. In this way funds are made available and controlled by the VOs. To stimulate the organization of the majority of the rural population - mainly small farmers and labourers - in their villages, programme help should be conditional in return for their active cooperation. Administrative innovations would be needed to define the corporate character of such groups and to settle the rules for their action.
- 5.4 The emphasis of agricultural and rural development should be on projects to increase production and thereby raise incomes. Social welfare programmes should be deferred to later date or to concerned national government departments/ministries. There are general and specific reasons for this namely, welfare services must be commensurate with incomes and what people can afford. Therefore, they must follow rather than precede income levels. As additional patronage from large land owners or the government has traditionally been schools and dispensaries, which does not break the vicious circle of poverty.
- 5.5 A steady guaranteed level of funding, at whatever level is possible, for implementing local level plans is of critical importance. Sudden reduction in funds have a disillusioning effect on the VOs and a devastating effect on staff and saps people's credibility in the programme.
- 5.6 Creation of rural cadres for group organization and management has to be vigorously pursued with a view to people themselves slowly relieving the bureaucracy of multiple jobs. The development of VOs is by far the most direct, face to face expression of democracy and of the needs and demands of the people themselves on matters which are of most direct concern to their village with the federation of organizations serving as a democratic organization on the economic and technical side to look after their interest, such as, credit needs, establishment of processing industries, marketing etc.
- 5.7 Given that local plan formulation cannot be undertaken in a vacuum, it would appear that this process should integrate into it the means whereby adjustments and modifications can be made to national, regional and sectoral planning guidelines while working within the framework of available resources. This would ultimately lead to a developmental scenario at the local level consistent with the specific needs of the people, growth potential of the area and budgetary allocations available.

- 5.8 Training, research and evaluation are important. Given the varying environments obtaining in the region, training programmes will have to be district-specific in nature. Similarly the first requirement is not research but records a data - a time series of acreage, yields, investment etc. Without good records evaluation will be extremely difficult and benefit-cost of project impossible to ascertain. Beyond this, research would be needed on the level and sources of farm incomes and off farm employment and in incomes at village level. At a higher level, there will be a need in the initial years of the programme for more experienced economic, social and administrative research on the strategies and performance of local development including administrative and management methods within the programme. The universities may be able to play a major role here provided they are willing to tackle operational research designed to give answers to policy issues. The need for continuous monitoring and evaluation envisages the desirability of a commitment in favour of rigorous and continuous internal evaluation with a clear definition of accurate indicators to measure progress. Development of simplified systems of monitoring and evaluating rural projects with the participation of local functionaries and local people would be pertinent.
- 5.9 Whereas the role of traditional local councils is acknowledged in the field of inter-village planning, raising of taxation and coordination with development departments, their effectiveness or competence to undertake economic development or infrastructure planning, implementation and maintenance of projects at village level is questionable. Experts have come down quite firmly against entrusting the development process too much to these highly unequal democratic (=selected) bodies in the early stage. The formation of disciplined groups i.e. VOs in which the weaker sections are the majority, proves more viable for economic and agricultural development of each village. Along with the local councils structure, the formation of VOs is, therefore, of prime importance for ameliorating the condition of the rural masses.

6. Programming cycle and review of activities

6.1 The programming cycle

Programme activities of AKRSP generally follow the pattern outlined in the AKRSP Programming Cycle (APC). Like project cycles everywhere else, the APC covers five broad phases of activity: identification, preparation, appraisal, implementation and completion. The complete process that characterises the AKRSP Programme Cycle is sketched out in Chart 1 (next page).

AKRSP PROGRAMMING CYCLE

ACTIVITY

RESPONSIBILITY

(I): DIAGNOSTIC SURVEY

Project identification, preparation and appraisal through village dialogues.

- |    |                       |   |   |
|----|-----------------------|---|---|
| 1. | <u>IDENTIFICATION</u> | <u>First Dialogue</u>                           |   |
|    | (a)                   | Explanation of AKRSP methods and objectives.    | General Manager                                 |
|    | (b)                   | Identification of productive rural projects     | Villagers                                       |
| 2. | <u>PREPARATION</u>    | <u>Second Dialogue</u>                          |   |
|    | (a)                   | Feasibility of Physical Infrastructure Works or | Prog. Sr. Engineer or<br>Prog. Sr. Agric., with |

Social & Economic  
Infrastructure Scheme

Prog. Trg. Specialist  
and villagers

- (b) Preparation of blue print or objective plan
- (c) Cost Estimation.

3. APPRAISAL Third Dialogue

- (a) Explanation of Terms of Partnership Prog. Trg. Specialist
- (b) Acceptance/rejection of Terms of Partnership Villagers
- (c) Assessment of Range of Benefits of Project/Scheme, Implying Acceptance or Rejection. Management Group

(II) IMPLEMENTATION

- 1. Base-line Survey for Evaluation. Prog. Economist
- 2. Execution of project/scheme Village Organs.
- 3.( Monitoring of VOs Management Group
- ( Training and Supervision of VOs

(III) COMPLETION

- 1. Management of project/scheme including maintenance, monitoring and evaluation. VO with Prog. Trg. Specialist
- 2. Post-project survey for evaluation Programme Economist
- 3. Long-term evaluation of persistence of results. Management Group

6.2 Summary of Progress

Progress in each activity, and in the particular steps it involves, is summarised in the Programme Activity Status Table (PAST). The PAST is updated at the end of each month. Progress to date is explained in a narrative fashion in Section 6.3; it is reported as a summary in this section:

( PROGRAMME ACTIVITY STATUS TABLE ... PAST )

Number of villages in which activity has been completed as on  
31 December, 1982/ 31 January, 1983.

SUB-DIV.	HUNZA	NAGAR	GILGIT	PUNYAL <u>ISHKOMAN</u>	GUPIS <u>YASIN</u>	DISTT. <u>GILGIT</u>
Total No. of villages	30	22	30	32	43	157

PROGRAMME ACTIVITYNO. OF VILLAGES COVEREDIDENTIFICATION

1.	Explanation of AKRSP methods and objectives	2/6	0/4	9/12	13/13	0/18	24/55
2.	Identification of Productive Rural Projects	2/8	0/4	9/10	13/13	0/18	24/53

PREPARATION

1.	Feasibility of Physical works or Socio and Economic Infrastructure Schemes.	0/2	0/0	0/3	0/5	0/0	0/10
2.	Preparation of blueprints or objective plans	0/0	0/0	0/3	0/0	0/0	0/3
3.	Cost Estimation (Provisional)	0/2	0/0	0/3	0/5	0/0	0/10

APPRAISAL

1.	Explanation of Terms of Partnership	0/6	0/0	0/3	0/13	0/0	0/22
2.	Acceptance of Terms of Partnership	0/6	0/0	0/1	0/13	0/0	0/20

6.3 The Diagnostic Survey

The distinguishing feature of AKRSP as a development agency is the belief and experience of its Management Group (MG) that a self-sustaining development process in the countryside can be built only on the skill, wealth and organization of village residents. In practice, this philosophy means that every step of the first three phases of activity - identification, preparation and appraisal - proceeds through a series of interactive dialogues between villagers and AKRSP. Together, the first three phases of programme activity constitute the diagnostic survey.

The diagnostic survey starts with a visit by the MG to a village whose residents have agreed to meet with AKRSP staff. After exactly 55 days of the arrival of the first member of the MG in Gilgit, residents of 55 villages in the district had heard the General Manager (GM) explain the OBJECTIVES AND METHODS of AKRSP. The extent of coverage so far includes villages in all five of Gilgit's sub-divisions, and in eight of its nine tehsils. The audiences with whom the AKRSP MG initiated a dialogue on development, ranged in size from 10 to 250, and in composition from village cripples to Chairmen of Union Councils, Member of Northern Areas Council and office-holders of Ismailia Regional Councils. The result of this first dialogue was the IDENTIFICATION of 132 development schemes by the residents of 53 villages.

The identification of productive rural projects is followed in the APC by the initiation of the second series of dialogues. The first step involves a preliminary FEASIBILITY SURVEY of identified schemes.

Supervisory responsibility for this technical assessment rests with the Programme Senior Engineer or Programme Senior Agriculturist. Responsibility in the field devolves on the Social Organization Unit (SOU), comprising a Social Organizer (SO), a Sub-engineer and an Agriculturist. This unit works with informed village residents to assess the feasibility of proposed projects and to obtain data on prices of locally available inputs/material. To date, the preliminary survey has been completed for 84 physical works projects in 34 villages. Reports on these projects were submitted to the Programme Senior Engineer who has drawn up provisional COST ESTIMATES for 32 projects in 10 villages. Detailed BLUEPRINTS have been prepared for the projects in (the villages). (See cost benefit summary of land development schemes in Table - 5 ... next page).

While some physical works projects were being prepared by the technical staff, the Programme Training Specialist (PTS) and the three SOs, he supervises, initiated the third series of dialogues. In the process, they visited 22 villages to explore the TERMS OF PARTNERSHIP that would characterise the relationship of AKRSP to village residents. On behalf of AKRSP, these terms of partnership are explained as general principles of rural development that have proved successful elsewhere in the world. In turn, the villagers could demonstrate their ACCEPTANCE of these principles by spelling out precisely the manner in which they would organise to plan, implement, manage and maintain specific projects that involve physical works, skill development and the creation of equity capital over time. To date, the terms of partnership have been defined to the satisfaction of AKRSP and village residents in 20 villages. Thus, 20 broad-based VOs have been formed whose members are all the beneficiaries of proposed AKRSP-sponsored projects. The beneficiaries will meet together as a general body two to four times a month to cooperate on issues of common interest - to lay the foundation on which to build the pillars of development that will serve villagers and the generations to come.

The formation of VOs is followed by an ASSESSMENT OF PRODJECT BENEFITS conducted by concerned members of the Management Group. This completes the diagnostic survey.

#### 6.4 Implementation

Programme activity now enters the implementation phase. The EXECUTION of the scheme is undertaken by the VO. Concurrently with execution, a BASE-LINE SURVEY for evaluation is conducted under the supervision of the Programme Economist. With the start of the implementation phase, VOs begin to follow a set schedule of weekly or fortnightly meetings. The records of such meetings together with the personal participation of members of SOUs provide information that enables the MONITORING of specific schemes by members of the MG. Meetings of VOs are also the medium through which MG members and the personnel they sudpervise impart TGRAINING AND SUPERVISION to village residents. Both monitoring and training and supervision are ongoing activities that follow an interactive process geared towards improved management of the village economy.

#### 6.5 Completion

Once a specific scheme has been executed, the responsibility for its MANAGEMENT becomes completely vested in the VO: villagers become responsible for all aspects of managing the scheme they had identified, helped plan and executed. A POST-PROJECT SURVEY for evaluation is carried out under the Programme Economist's supervision. The continuous monitoring of VOs and the ongoing processes of training and supervision, together with specific surveys provide the MG with the information it needs for a LONG-TERM EVALUATION of persistence of results.

#### 6.6 Monitoring and Evaluation

##### (a) Monitoring

Monitoring is a management function. It is an internal programme activity, an integral part of day-to-day decision-making. MONITORING entails the codllection and collation of information, the routing of information through reporting channels to specific lines of management, and the managerial assessment of this information with respect to particular programme objectives. Thus, monitoring enables management to conduct an ON-GOING EVALUATION of programme activities. The result of on-going

evaluation is MANAGEMENT RESPONSE for course-correction through direct channels of supervision. Channels of monitoring and management response at AKRSP are shown in Chart 2 (next page).

As a management function, monitoring is one of the responsibilities of each member of the MG at AKRSP. The role of the Programme Economist qua monitoring unit is to work with professional colleagues in the following ways:

- (i) identification of specific and general objectives, and the development of indicators used to measure progress towards these objectives;
- (ii) collection and analysis of information flowing from various lines of management;
- (iii) collation and analysis of data from beneficiaries of AKRSP-sponsored projects to supplement available records;
- (iv) preparation of reports to highlight the findings of various analyses;
- (v) preparation of option papers of general interest to the MG; and
- (vi) the development and maintenance of various data series as an aid to later evaluation.

(b) Evaluation

Evaluation is the assessment of impact with respect to expectations. It is not necessarily an integral component of management, through it relies on the monitoring system of a programme for much of the required data. Evaluation involves more than simple quantification of changes in the project area: it attempts to partial out influences exogenous to the project in order to isolate effects specific to the project. The evaluation exercise assesses both intended and unintended impact, and helps draw lessons for further improvements or similar projects elsewhere.

The methods of evaluation used by the Programme Economist are the standard analytical tools of neo-classical theory (in particular, the postulates of applied welfare economics), together with the procedures of econometric testing. The data base for project-specific evaluation is built on base-line and post-project surveys for evaluation. Activity-specific (or, sector-specific) evaluation will be based on household panel surveys that fall into a modular design. Four sectors will be subjected to particular scrutiny: demography and human capital, income and labour supply, land use and agricultural production, and livestock and non-land production. Finally, specific and general objectives will be stated as refutable hypotheses and satisfactorily tested with reference to separate and pooled time series and cross-sectional data.