**Annual Review - Summary Sheet**

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| **Title: Chars Livelihoods Programme Phase II (CLP-2)** | | |
| **Programme Value: £81.7** (including £9.1m from DFAT Australia) | | **Review Date:**  17 February 2015 |
| **Programme Code:** 114175 | **Start Date:** 1 April 2010 | **End Date:** 31 March 2016 |

## Summary of Programme Performance

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| **Year** | 2011 | 2012 | 2013 | 2014 | **2015** |
| **Programme Score** | 2 | A : Outputs met expectation | A+ - Outputs moderately exceeded expectation | A+ - Outputs moderately exceeded expectation | **A : Outputs met expectation** |
| **Risk Rating** | Medium | Low | Low | Medium | **High** |

**Summary of Progress and Lessons Learnt since Last Review**

**Progress:**

* Over the last year, CLP raised 15,652 households on plinths; provided 42,811 households with sanitation and 44,342 with improved water supplies, and delivered productive assets to 17,520 households, benefitting 68,153 people. To date the project has provided productive assets to a total of 74,729 households, benefitting over 290,000 people (95% of total target).
* So far, 43,156 core participant households have ‘graduated’ from extreme poverty, meeting 6 out of 10 graduation criteria within 3 months of the end of the intervention period (this does not include cohorts 2.5 and 2.6). CLP is on course to meet, if not moderately exceed, the overall target of 66,300 households graduated by the end of the project.
* The project has made significant progress on the market development work and the direct nutrition interventions, with outputs now back on track after a delayed start. There are signs that the market development work is delivering results, with input dealers and buyers expanding activities on the chars and Business Group members raising productivity and profits.The nutrition component stepped up to deliver services to many more beneficiaries and the breastfeeding counselling appears to be working with 96% of all target mothers practicing exclusive breastfeeding.
* Women’s Empowerment Scorecard results suggest the project has contributed to an important step forward in women’s perceived confidence, economic independence and freedom.

**Lessons:**

* CLP has adapted and refined the asset transfer model in a very challenging context. Looking back, it is possible to question some of the apparent assumptions underlying the original project design. Particular attention should be paid to the balance of interventions between investments in extreme poor households and a more comprehensive approach to sustainable development of communities. This includes more focus on creating bottom-up demand from communities for services and influencing government and large NGOs and private sector to deliver services where feasible. Future projects should set out these assumptions more clearly and revisit them, especially in the early years.
* While averages and aggregate measures provide a useful means to track progress, these needs to be supplemented regularly with analysis on the variance behind averages, focusing particularly on the performance of marginalised groups, and on what is going on within household.

**Summary of priority recommendations for the next year (a detail list in Section B)**

* CLP with DFID to identify priority actions, by May 2015, to enhance the sustainability of outputs where this is still possible in the final year, focusing particularly on infrastructure maintenance, community institutions, market development and securing partnerships for basic services.
* CLP to identify key measures to manage and mitigate end of project risks, including incentives to retain key staff and continued fraud risk mitigation, by June 2015.
* DFID to explore the possibility of a three month no-cost extension till June 2016 to enhance sustainability of impact and to allow a smooth wrap-up of the project, by June 2015.

**A. Introduction and Context** (1 page)

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| DevTracker Link to Business Case: | N/A – project commenced prior to Business Case process |
| DevTracker Link to Log frame: | <http://iati.dfid.gov.uk/iati_documents/4344105.xlsx> |

**Outline of the programme**

The UK is investing £70 million over 6 years (2010-16) in the second phase of the Chars Livelihoods Programme (CLP-2). Australia’s Department of Foreign Affairs and Trade (DFAT) provides an additional £9.1 million. A component to provide direct nutrition support to the programme’s beneficiaries (at a cost of £2.6 million) commenced in 2013.

Almost 2.5 million people live on the remote and isolated island *chars* in the north-west of Bangladesh. These are some of the poorest people in the country, many living on less than 30 pence a day. Most are landless, with few possessions or opportunities to earn income. Char dwellers frequently go hungry and half of all children under the age of five are stunted - a sign of long-term under nutrition. Access to basic services - schools and clinics - as well as microfinance and markets is extremely limited because of the *chars*’ isolation from the mainland. The Bangladesh Government’s poverty reduction strategy and plan highlights the need to pay special attention to the “20-25 million people who live in chronic and extreme poverty.” It identifies the *chars* as special ‘pockets’ of extreme poverty.

CLP-2’s purpose is to improve the livelihoods, incomes and food security of up to one million extremely poor people (including the non-core participants) living on the remote *chars* (sandbank islands) in the Jamuna and Teesta river of north-western Bangladesh. A comprehensive package of support aims to help targeted families and communities lift themselves out of extreme poverty. The package is provided over an 18 month period. Typically it includes: (i) raising homesteads onto plinths 2 feet above the high flood level and ensuring access to clean water and a hygienic toilet; (ii) financing a productive asset (people usually decide to buy livestock, particularly cattle) and a small cash stipend; (iii) training in health, household financial management and nutrition (complemented by a direct nutrition supplement); and (iv) ensuring access to basic health care and to markets for selling their produce. After 18 months, the aim is that most participants are able to sustain and improve their livelihoods with limited further support. The programme then moves on to target other extremely poor households. The programme also allows for other households living close by to be included in some aspects of the programme, helping to spread benefits and build community support for the programme.

Key results include: lifting about 65,000 families (about 255,000 people) out of extreme poverty; protect about 300,000 people from flooding by raising their homes on earth plinths; provide more than 580,000 people with access to a sanitary toilet; and improve incomes and assets for about 255,000 people.

**Summary of Programme Objectives**

Based on the available logframe outcome statements the project’s main objectives are to:

1. improve the livelihoods, incomes and food security of at least 1 million extremely poor and vulnerable women and girls, men and boys living on remote isolated riverine char islands of North Western Bangladesh;
2. improve nutrition practices among targeted mothers and adolescent girls;
3. enhance the status of women and girls.

## B: PERFORMANCE AND CONCLUSIONS

**Annual outcome assessment**

The project is on track to achieve, or nearly achieve, 12 out of 14 outcome indicator targets by 2016. Of the remaining two, one (4.1 on asset increase) is unlikely to be achieved as some beneficiaries ( 15-20%) would require more time to build their asset base and the other one is slightly off-track (2.1 on income increase). Overall this is a strong performance against the defined targets. Some of these targets (e.g. nutrition, income, expenditure and savings growth) could have been more stretching. Future programmes also need to revisit the approach to defining and measuring graduation to ensure a more sustainable and dynamic perspective.

**Specific outcome milestones (by January 2015):**

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|  | **Target (cumulative)** | **Achievement** | **Description** |
| 1 | 43,228 households (168,156 people) graduate out of extreme poverty (Cohorts 2.1 to 2.4) | **Achieved:** 43,156 CPHHs (core participant households) (167,877 people) have graduated based on achieving 6 out of the 10 graduation criteria within 3 months of the end of the intervention period. | The project is on course to meet and even moderately exceed the overall target of 66,300 households graduated by January 2016, assuming the higher graduation percentage achieved in recent cohorts (e.g. 91.1% for 2.4) can be sustained for cohort 2.5 and 2.6. |
| 2 | For those who received assets 36 months previously, mean household per capita income, expenditure and cash savings increase by 50% (in real terms) for 85 % of targeted core households | **Partially Achieved:** 76% have increased their income by 50% or more,  95% have increased their expenditure by 50% or more and 99.9% have increased their savings by 50% or more. | So while two of the three milestones were achieved, the high percentages achieved are based on low base. This is an area of further review whether the targets are low as well.The wording of the 2016 target should be clarified to provide a baseline against which the avoided drop in income, expenditure and savings can be measured. |
| 3 | 80% of targeted lactating mothers practicing Exclusive Breast Feeding (EBF) (2,599 targeted mothers practicing out of 3,249).  80% of targeted children consuming MNPs (6,623 of 8,279) | **Achieved:** 96% or 6,795 out of 7,029 targeted lactating mothers practiced EBF against a target of 80%.  81% (7,445 out of 9,149) of targeted children reported consuming MNPs (target: 80%). | The EBF rates achieved are impressive in the context of Bangladesh and warrant further validation. While improved Infant and Young Child Feeding (IYCF) practices, at least for EBF, are an important determinant of improved nutrition neither of these indicators track nutrition outcomes. The latest results from the CLP nutrition survey suggest an overall improvement in chronic under nutrition among children but deteriorating results for underweight, acute malnutrition and anaemia in mothers and children. These results are concerning as they are puzzling and require further investigation. |
| 4 | 43,228 households with assets doubled in value benefiting 168,157 people  85% of CPHH receiving a raised plinth continue to reside there  85% of CPHH receiving a sanitary latrine continue to use the latrine | **Partially Achieved:**  31,375 or 61% of all core households in cohorts 2.1-2.4 have been able to double the value of their productive assets after receiving the asset transfer.  83.3% of CPHHs who have received a raised plinth continue to reside there and  87.7% of all CPHHs continue to use the sanitary latrine received from the project. | **Doubling the value of productive assets**: this is significantly off-track but may be achieved, a year late, by early 2016. Some beneficiaries (15-20%) will require more time to build their asset base due to lack of skills (in terms of investment decision) and weak coping capacities to shocks (natural or personal). This would still represent a significant achievement, pointing to the sustainability of the value and benefits derived from the asset for a majority of households.  It should also be noted that only 48% of households are able to meet the BDT 30,000 asset threshold set as one of the graduation criteria, suggesting growing inequality in the asset value and incomes of CLP core households over time. |
| 5 | Average profits: Milk Group members Tk 942 per cow per month), Meat Group members (Tk 1,872 per cow per month)  Of a total of 8,066 Business Group (BG) members, 1,802 (22.3%) will achieve a profit increase percentage appropriate for the BG area (average of 28.3% increase over baseline, varying by BG area). | **Achieved:** Average profits for Milk Group members were BDT 870 per cow per month (compared to BDT 598 last year) against the revised 2015 milestone of BDT 942 while average profits for Meat Group members were slightly lower than last year at BDT 1,749 per cow per month, against a target of BDT 1,872.  34% of Business Group (BG) members increased their profits by an average of 30% over the baseline. | Overall these figures suggest a significant step forward over the last year and suggest the market development work in these sectors is beginning to develop some momentum. The 2016 target is likely to be reached providing the Meat Group Members can reverse the slight dip in profit increased this year due to market price fluctuation.The overall trend is still upward from a baseline of 1,387 Taka. It should however be noted that only around 40% of BG members are CPHH graduates so these benefits to do map directly onto the majority of CPHHs.  The latter results exclude the Fodder Group members as these have been phased out. |
| 6 | At least 74% of Cohort 2.4 (12,069 of 16,309 CPHHs) and Cohort 2.5 CPs (10,048 of 13,579) report being empowered, for a total of 22,117 out of 29,888 participants. | **Achieved:** 96.1% of women surveyed in cohort 2.4 and 100% of cohort 2.5 reported meeting 5 or more out of 10 criteria of a Women’s Empowerment Scorecard, compared to only 11.5% of women in the rolling baseline (cohort 2.6). | These scorecard results suggests the project has contributed to an important step forward in women’s perceived confidence, economic independence and freedom. However the scorecard should be used and interpreted with some caution as it does not capture the empowerment status of socially disadvantaged women, in particular of female headed household. |

**Overall output score and description: A (Outputs met expectation)**

This overall output score reflects solid performance in the context of an increasingly difficult operating environment towards the end of the year. This includes a moderate flood during July-September 2015 and the ongoing mobility constraint due to political unrest (blockade and strikes) since Dec 2014. These external factors likely to have some impact on the delivery of interventions, monitoring and supervision as well as smooth closure of the project in March 2016. Moreover, the belated emphasis placed on sustainability of outputs also needs to be considered given the negative implications this may have on the link between outputs and outcomes.

The performance on the asset transfer and plinth, water and sanitation outputs is impressive given the increase in political unrest and restricted movement in the last quarter of the review period. The project has been able to turn around the underperforming outputs on market development (3) and the direct nutrition interventions (6) over the last year and is now broadly on track for both outputs which is a significant achievement. Progress on outputs 4 and 5, on enhancing women’s status and on partnership and communication to influence government policy, is more mixed. The B score for output 4 is due to the delay in training adolescent girls and boys in the new vocational training initiative. Performance on the partnership and communications output ( output 5) has met or exceeded three of the four milestones but overall performance in this area has lacked strategic focus to influence government policy.

**Key lessons**

* As this was the final Annual Review (AR) before the project ends in early 2016, the review tried to identify key lessons from CLP as a whole to inform the design of future livelihood programming in Bangladesh. Key issues identified include: the transformative impact of the basic asset transfer model at the heart of CLP and similar programmes that should be preserved in future programmes; the need for a stronger focus on facilitating sustained pathways out of poverty; the need to balance investment in individual households with a stronger emphasis on facilitating sustainable markets and basic service provision from the start, where this is viable; a clearer focus on the structural causes of extreme poverty, marginalisation and inequality within households and communities, including a focus on gender relations rather than working primarily with women; and lastly, considering how best to structure a programme with government and implementers so there is sufficient space and capacity to influence government.
* The programmes recent focus on sustainability for some outputs (e.g. community institutions) is welcome but more attention could and should have been placed on sustainability of outputs and outcomes both at the design stage and throughout implementation.
* The current Exit Strategy covers important operational issues but needs to be supplemented with an action plan to maximise sustainability of the project as far as possible, including the future of infrastructure and institutions established by the programme.
* Long term data storage and management needs to be considered. There is data related to disaster management and flood information which would be useful to look at and see how it could link in to other nationwide databases (e.g., Comprehensive Disaster Management Programme /CDMP).

**Key actions**

* CLP to develop a draft action plan by April 2015 to accompany Exit Strategy (to be finalised in June 2015) setting out realistic actions and any additional associated costs to enhance sustainability under each output within final year of project.
* DFID to explore the possibility of a three month no-cost extension till June 2016 to enhance sustainability of impact and also to allow a smooth wrap-up of the project, by June 2015.
* CLP, in consultation with DFID, to identify key measures to manage and mitigate end of project (EOP) risks- agreed by April 2015 under Exit Strategy and Risk Mitigation Plan.
* CLP, in consultation with DFID, to develop a strategic communication plan by April 2015 laying out options for discrete research and policy work in final year of project. Priority areas should include: improved access to education, khas land, analysis of variance on key outcome indicators and sustainability of impact.
* Based on the above, develop range of costed options for utilising underspend for DFID to review and prioritise by [June 2015] under exit strategy.
* CLP should explore options to ensure that CLP households are not left behind during future flood response actions after the project ends.This can be part of the sustainability action plan.

**Logframe Recommendations:**

* Clarify the baseline for the 2016 outcome 2 target (85% of targeted core households’ per capita income, expenditure and savings do not drop in real terms), which should be an appropriate point after the transfer of the productive asset.
* CLP in agreement with DFID to change the output statement 4 that better reflects the indicators (i.e.: improved skills of women and girls), by June 2015.
* CLP to review the scope for reporting further disaggregated findings of key results ( e.g. asset, income) to capture variance against target indicators ( not just average), by June 2015.

**Has the logframe been updated since the last review?**

Yes. A number of changes were made in June 2014 in response to the previous AR. Key changes include consolidation of impact indicators 2 and 3 into a single indicator; the rearrangement of nutrition indicators with the creation of two new outcome and new output indicators; the creation of a new outcome indicator on women empowerment and a new output indicator linked to the vocational training work primarily targeting the adolescent girls.

## C: DETAILED OUTPUT SCORING

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| **Output Title** | **Reduced environmental and economic risks for families and communities** | | | |
| **Output number per LF:** | | 1 | **Output Score:** | **A+** |
| **Risk:** | | High | **Impact weighting (%):** | 25% |
| **Risk revised since last AR?** | | Y (increased from medium) | **Impact weighting % revised since last AR?** | Y (down from 30%) |

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| **Indicator(s)** | **Milestones** | **Progress (%)** |
| 1.1 Number of households raised on plinths 60cm above highest recorded flood [A+] | Cum: 62,336 HHs  Annual: 14,052 HHs | Cum: 63,876 HHs  Annual: 15,652 HHs |
| 1.2 Number of persons accessing an improved water source and new/improved sanitation facilities [A++] | Cum:114,484 HHs with sanitation and 79,376 HHs with water  Annual: 30,000 HHs with sanitation and 30,000 HHs with water | Cum: 125,497 HHs with sanitation and 93,718 HHs with water  Annual: 42,811 HHs with sanitation and 44,342 with water |
| 1.3 Number of Infrastructure Employment Project (IEP) person days during the lean season (Sept – December) – 15% for women and girls minimum [A] | Cum: 1,688,548 person days worked and 54,978 persons employed  Annual: 249,000 person days worked and 6,800 persons employed | Cum: 1,766,377 person days and 57,914 employed (13.66% women and girls)  Annual: 326,829 person days and 9,735 employed (2.24% women and girls) |

## Key Points:

* There has been some delay due to the late monsoon floods (September 2014) which has slowed progress at the end of the year while the national blockade and hartals have also affected implementation. Flooding in September 2014 suggested that 2% of plinths were below the water level.
* CLP WASH report in 2013 and review of graduation criteria led to a change in policy, with all core households now having direct/proprietary access to a water pump. In response the proportion of CPHHs meeting the corresponding graduation criterion now appear to be increasing. It is not clear if or how this change has affected dynamics within communities – the CLP team did not believe it had led to any tensions but this could not be verified.
* IEP: annual targets for numbers employed have been significantly over-achieved but women and girl’s participation was only a fraction of the target. Key reasons for the low proportion of women participating include a significant reduction in the temporary migration of adult men during the lean season due to a combination of factors including continuous political unrest, IEP employment opportunities and also more conservative social norm in the target areas affecting women’s ability to participate. The IEP Cash for work is self-selection basis and payment is based on piece-rate system –so more men were employed than women. CLP should review the trend and take positive actions towards increasing women’s participation in the IEP cash for work in the final year of the project.

**Summary of Responses to Issues Raised in Previous Annual Reviews:**

* IMO and CLP staff have had training on communication and monitoring of hygiene behaviour change. This seems to have been translated into communications materials which are provided to the field. Without talking to beneficiaries, it is not clear as to the extent to which this is making a difference and the messages are being taken up and acted on – however, evidence is that CLP have taken steps to improve their work in this area.

## Recommendations:

1. DFID should endorse the CLP proposal to raise community plinths and establish school water points and latrines , by April 2015 from the savings generated, primarily from the market component.
2. Where feasible at this stage (e.g. cohorts 2.6), CLP to prioritise activities to enhance sustainability of WASH and plinth interventions, including maintenance of water pumps, agreed with DFID under a sustainability action plan by April 2015.
3. CLP to take some positive actions towards increasing women’s participation in the IEP cash for work in the final year of the project (2015/16).

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| **Output Title** | **Improved family assets (physical, productive, political and social)** | | | |
| Output number per LF | | 2 | **Output Score** | **A** |
| Risk: | | High | Impact weighting (%): | 25% |
| Risk revised since last AR? | | Y ( increased from medium) | Impact weighting % revised since last AR? | Y (from 30%) |

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| **Indicator(s)** | **Milestones** | **Progress (as at 31/12/14)** |
| 2.1 Number of households receiving productive assets [A] | Cum: 75,000 CPHHs have received productive/ IGAs benefiting 291,750 people (145,787 men and boys/ 145,963 women and girls)  Annual:17,791 CPHHs have received productive/ IGAs benefitting 69,207 people (34,583 men and boys/ 34,624 women and girls) | Cum:74,729 CPHHs have received productive/ IGAs benefiting 290,696 people (145,261 men and boys/ 145,435 women and girls)  Annual: 17,520 CPHHs have received productive/ IGAs benefitting 68,153 people (34,056 men and boys/34,097 women and girls) |
| 2.2 Number of core participants (CPs) ever enrolled in social development (SD) groups [A] | Cum: 78,000 CPs are enrolled in a SD group. 95% of these CPs are a member of at least one other group (e.g. VSL)  Annual: 13,440 CPs are enrolled in a SD group. 95% of these CPs a member of at least one other group (e.g. VSL) | Cum: 77,974 CPs are enrolled in a SD group. 100% of these CPs are a member of at least one other group (e.g. VSL)  Annual: 13,538 CPs are enrolled in a SD group. 100% of these CPs a member of at least one other group (e.g. VSL) |
| 2.3 Number of hhs receiving homestead gardening inputs and advice [A+] | Cum: 63,127 HHs received homestead garden inputs and complete all training  Annual: 12,640 HHs received homestead garden inputs and complete all training | Cum: 64,752 HHs received homestead garden inputs and complete all training  Annual: 14,265 HHs received homestead garden inputs and completed all training |
| 2.4 Number of Village Development Committees (VDC) established and operational [A] | Cum: 465 VDCs formed  Annual: 71 VDCs formed | Cum: 465 VDCs formed  Annual: 71 VDCs formed |

## Key Points

* Milestones for all four indicators under this output have been met in the past 12 months, in spite of challenges resulting from political disturbances (blockades and hartals) at both the beginning and end of the reporting period. The sustainability of some of these outputs, however, and their ability to contribute to the intended outcomes is less clear and requires a strong focus in the remaining period.
* While average asset productivity remains high, this masks significant variance among CPHHs. Village level demonstration of good practice in key livelihoods areas – notably cattle husbandry – is viewed to be one approach that has a positive impact on understanding and adoption of appropriate techniques, leading to improved asset productivity.
* The milestones for indicator 2.4 track the number of VDCs formed but do not tell us much about whether they are operational and sustainable. From January 2015 efforts are underway to institutionalise the VDCs and make them more sustainable beyond the end of the project. A consultant report has proposed a range of activities to achieve this, including registration as a trust, ‘choosing’ appropriate activities for VDCs, establishing collective enterprises to cover VDC running costs, and creating linkages to government and NGOs. Some of these sounds sensible but others, such as the creation of collective enterprises and choosing set activities for VDCs, are unlikely to succeed or yield the desired effect.

**Summary of responses to issues raised in previous annual reviews (where relevant)**

* Structured phase-out plan for VDCs has been developed with the support of an external consultant. From January 2015, CLP has begun to implement new activities for strengthening and smooth phase-out of VDCs as recommended in Consultants Report.

**Recommendations**

1. CLP to review recommendations of the study on VDC sustainability and agree with DFID on prioritised actions, by April 2015.
2. CLP to agree with DFID on prioritised role for new Partnership Director, to develop closer linkages between CLP (and its Community Based Organisations) , other NGO projects working in the chars and other livelihoods and food security projects more generally (see also R11 under Output 5).

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| **Output Title** | **Market systems offering greater opportunities and benefits and increased access to poor char communities** | | | |
| **Output number per LF:** | | 3 | **Output Score:** | ***A+*** |
| **Risk:** | | High | **Impact weighting (%):** | 15% |
| **Risk revised since last AR?** | | Y ( increased from medium) | **Impact weighting % revised since last AR?** | Y (from 10%) |

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| **Indicator(s)** | **Milestones** | **Progress (%)** |
| 3.1 Improved knowledge among farmers and other market actors within common interest business groups (milk and meat) [A++] | Milk: 2,434 Business Group (BG) participants trained.  Meat: 2,122 BG participants trained.  Fodder: 1,898 BG participants trained. | Milk: 3,015 BG participants trained.  Meat: 2,450 BG participants trained.  Fodder: 2,112 BG participants trained. |
| 3.2 Increased access to relevant financial services for households investing in animal health, productivity and production quality [A++] | Cum: 887 households in business groups have loans for milk, meat or fodder production  Annual: 400 new households in business groups have loans for milk, meat and fodder production | Cum: 1,120 households in business groups have loans for milk, meat or fodder production  Annual: 633 new households in business groups have loans for milk, meat and fodder production |
| 3.3 Relationships established between business groups, buyers (meat & milk products) and input suppliers [A+] | 90% of Char Business Centres (CBCs) meet attendance criteria.  Cum: 1,650 linkage meetings carried out between business groups and buyer  Annual: 693 linkage meetings carried out between business groups and buyers | 94% of CBCs meet attendance criteria.  Cum.: 1,696 linkage meetings carried out between business groups and buyer  Annual: 739 linkage meetings carried out between business groups and buyers |

## Key Points:

* The market development work now seems to be building some momentum after a delayed start and slow progress over the first two years. The hybrid approach, linking ‘Making Market Work for the Poor’ (M4P) with a livelihoods model, appears to be working. The sustained investment in supply side constraints as well as institutions to facilitate market coordination now showing results and some markets possibly reaching a tipping point.
* CBCs appear to have played a valuable role facilitating market linkages to date but sustainability question remains. The rationale and incentives for sustained collective action is not very clear. Global evidence suggests it is hard to sustain collective action where the objectives and incentives for collaboration are not clear and meetings are infrequent.
* Despite positive progress on access to financial services (A2F) for business group members, CLP has yet to finalise a clear strategy on A2F. This is a critical supporting market. In the final year the priority should be to scale up access to new products tailored to the needs of BG members by linking with others .

## Summary of responses to issues raised in previous annual reviews (where relevant)

* The milk project focus on increasing yields/profits was intensified and the technical support now includes improved monitoring of Key Performance Indicators (KPIs), greater engagement with the Livestock Service Providers (LSPs), and regular practical yard meetings held at each BGs cattle and fodder demonstrations / lead farmer’s house. A specialist has also been recruited as Coordinator of the Milk Market Development Project to maximise results.

## Recommendations

1. CLP to prioritise continued investment in market development in the final year and finalise its ‘access to finance (A2F) strategy building on existing products (such as the product for meet business groups developed by United Finance Company with iDE), by April 2015.
2. CLP to review the CBC strategy by May 2015, drawing on existing CBC priorities and interests rather than a standardised approach focused on creating formal structures.

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| **Output Title** | **Enhanced status of women and girls** | | | |
| Output number per LF | | 4 | **Output Score** | **B** |
| Risk: | | Medium | Impact weighting (%): | 10% |
| Risk revised since last AR? | | N | Impact weighting % revised since last AR? | N |

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| **Indicator(s)** | **Milestones** | **Progress (%)** |
| 4.1 Number of adolescent groups (boys and girls) and couples oriented on issues such as violence against women and girls (VAWGs) and other illegal practices (dowry & early marriage) [A] | Cum: 921 adolescent groups (9,837 girls and 9,952 boys) have been formed; 55,511 couples have received orientation  Annual: 142 adolescent groups have been formed; 14,000 couples have received orientation | Cum: 920 adolescent groups (8,880 girls and 8,991 boys) have been formed; 58,052 couples have received orientation  Annual: 141 adolescent groups have been formed; 14,966 couples have received orientation |
| 4.2 Number of targeted girls and boys trained. [C] | Annual: 160 of 200 girls and boys trained | Annual: 88 of 200 girls and boys trained |

**Key Points**

* Couples and adolescent groupsreceivedtraining/orientation on various issues including VAWG and dowry and early marriage. In some areas, trained adolescents formed peer groups to carry forward social development activities. Anecdotal evidence from CLP and partner monitoring activities suggest these social development interventions are having a positive impact on violence against women and girls, dowry, early marriage, and gender relations in CPHHs. However, without a field visit and tracking these impacts systematically through the monitoring system it is not possible to assess how widespread and sustained they are.
* As the vocational training started late, progress against the milestone is off track but CLP expects to complete the training for all 200 adolescents by end 2015. The service provider is confident it will be able to place all trainees in jobs but this need to monitored closely by CLP. The skills training target has not been met in part due to the absence of a Partnerships Director and difficulty in ensuring convenient, safe and secure venues for training for adolescent girls given parental concerns about their safety. 53 out of 74 girls under the skills programme opted for sewing training but it is not clear how viable this will be as an income generating activity on the chars.

**Summary of responses to issues raised in previous annual reviews (where relevant)**

* To help adolescent boys and girls joining the workforce through employable technical skills, partnerships have been developed with 2 different training institutes: Bangla German Sampriti (BGS) and Gana Unnaya Kendra (GUK).
* A new 4.2 output indicator on skills training has been introduced. However this indicator doesn’t capture achievements related to the enhance status of women and girls.

**Recommendations**

1. CLP should monitor the number and type of jobs secured and new enterprises established by the trained adolescents following their completion of vocational training and provide appropriate follow-up where possible, by Dec 2015.
2. CLP should follow-up continuously on peer networking of adolescent groups and make any necessary adjustments to improve its development (for spreading social development messages) and effectiveness in reducing VAWGs and other illegal-practices ( e.g. dowry).
3. **Logframe Recommendations:** CLP in agreement with DFID to change the output statement that better reflects the indicators (i.e.: improved skills of women and girls) by June 2015.

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| **Output Title** | **Best practice is monitored and communicated at all levels leading towards improvement in local delivery of national safety net and food security policy in the chars.** | | | |
| Output number per LF | | 5 | **Output Score** | ***A*** |
| Risk: | | Medium | Impact weighting (%): | 15% |
| Risk revised since last AR? | | N | Impact weighting % revised since last AR? | N |

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| 5.1 Monitoring, evaluation (M&E) & communication leads to learning and knowledge of best practice amongst all stakeholders [A+] | Cum: Three local dialogues with events on effective delivery; At least 1+ GoB policies informed by best practice & M&E studies. A total of 65 evidence-based studies on the website.  Annual: 8 evidence-based studies on website. | Cum: total of evidence-based studies on the website is 66 (since 1 April 2010)  Annual: 9 evidence-based studies have been published since the last AR. An additional 5 are expected to be published in early 2015. 3 local dialogues on effective delivery took place |
| 5.2 Number of different organisations approached to provide or facilitate public rights, services and resources to chars [A++] | Cum: Twelve organisations approached across public, private and civic sectors  Annual: One organisation approached across public, private and civic sectors | Cum: 51 organisations have been contacted since April 2010. Of these contacts, at least 25 activities have been implemented.  Annual: Since Jan 2014, 12 new organisations have been contacted, of which 8 have so far resulted in activities or early stages thereof. |
| 5.3 Facilitation and provision of public rights, services, and resources on the chars [C] | Cumulative: Providers committed to delivering / facilitating health services or resources in 60 unions  Providers committed to delivering / facilitating education services or resources in 20 unions  Eight IMOs actively seeking land ownership for at least 500 householders with at least 250 CPHHs  Annual: Providers committed to delivering / facilitating health services or resources in 30 unions  Providers committed to delivering / facilitating education services or resources in 10 unions  Three IMOs actively seeking land ownership for at least 200 HHs with at least 100 CPHHs | Cumulative: BRAC is providing health services in 232 villages of 56 unions.  44 former CLP-2 education centres are being operated by NGOs (one by the community) in 8 unions.  13 IMOs; 2,203 submissions; 135 CPHHs from a total of 294 that have received land to date. 233 applications or ~10% of total have been rejected.  Annual: Health : No change from last year (cumulatively figures 56 unions ; as mentioned above)  Education : No change from last year (cumulative 8 unions)  5 more IMOs actively seeking land ownership for at least 701 HHs with at least 16 CPHHs receiving land in 2014/15 |
| 5.4 Linkages to public and private basic services provision [A++] | Cum: 68,708 CPHHs informed about type & location of basic services and other safety nets  Annual: 4,148 CPHHs informed about type & location of basic services and other safety nets | Cum: 71,305 CPHHs informed about type and location of basic services and other safety nets  Annual: 6,769 CPHHs informed about type and location of basic services and other safety nets |

**Key Points**

* This output is scored as an ‘A’ despite progress against most of the milestone indicators exceeding expectations, as overall progress against the intent of this output, as captured in the output statement, has fallen substantially short of  expectations. CLP has been diligent in making information available online but there is no plan to share knowledge more strategically. It is accessed only by those proactively seeking it.  There has also been insufficient effort to influence relevant government policy proactively.
* The involvement of other partners in the chars is a mixture of strategic planning and opportunism. The team has confirmed that the partnership work will be advanced this year.
* The health and education targets have not been met in part due to the absence of a Partnerships Director.

**Summary of responses to issues raised in previous annual reviews (where relevant)**

* All IMOs received training. bKash is being used for financial transactions other than the stipend but is limited to financial transactions. The partnership work on health, education and legal services has not moved forward.

**Recommendations**

1. CLP in consultation with DFID review its current communications strategy and develop a strategic communication plan (including stronger online presence and targeted lobbying) by April 2015 to influence policy over the next 12 months.
2. CLP to agree with DFID by April 2015 the prioritised role of the Partnership Director. Ensure that efforts of the Partnership Director are concentrated on improving the sustainability of CLP interventions either through existing or new partnerships. This includes working with relevant stakeholders – potential providers (GoB, BRAC, other NGOs) as well as DFID and DFAT - to progress the provision of education in the Chars.

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| **Output Title** | **Improved nutrition practices among targeted mothers and adolescent girls** | | | |
| Output number per LF | | 6 | **Output Score** | ***A+*** |
| Risk: | | High | Impact weighting (%): | 10 |
| Risk revised since last AR? | | Yes ( increased from medium) | Impact weighting % revised since last AR? | Yes (from 5%) |

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| **Indicator(s)** | **Milestones** | **Progress (as at 31/12/14)** |
| 6.1 % of targeted lactating mothers of infants 0 - 6 months receive counselling on exclusive breastfeeding (EBF) (as per WHO definition). [*A++*] | 90% of targeted (6,272 out of 6,969 expected participants, see Note 8) lactating mothers receive counselling on EBF. | 101% of targeted (7,029 out of 6,969 expected participants, see Note 8) lactating mothers receive counselling on EBF. |
| 6.2 % of targeted lactating mothers of children 7-23 receive training on appropriate complementary feeding (ACF). [*A++* | 90% of targeted (10,884 out of 12,093) lactating mothers receive training on ACF. | 103% of targeted (12,461 out of 12,093) lactating mothers receive training on ACF. |
| 6.3 % of targeted children (7-24m) receive Micro-Nutrient Powder (MNPs) [*A*] | 75% of targeted (9,070 out of 12,093) children receive MNPs | 76% of targeted (9,149 out of 12,093) children receive MNPs |
| 6.4 % of targeted mothers and adolescent girls receive iron and folic acid (IFA) [*A++*] | 85% of targeted (23,366 out of 27,489) mothers and adolescent girls receive IFA | 102% of targeted (27,994 out of 27,489) mothers and adolescent girls receive IFA |

**Key Points**

* All output targets/milestones have been achieved despite a significant increase in target numbers over the original estimates (which were based on national demographic data) and challenges in the delivery context (floods, political unrest). This is an achievement given the delayed start and catch-up required over the last year.
* CLP have also implemented a range of activities to strengthen the nutrition interventions including differentiated training materials for different target groups, more intensive supervision and training for community nutrition volunteer’s supervisors.
* However, progress towards nutrition outcomes, beyond the intermediate outcomes tracked in the logframe, remains uncertain. Data from the latest nutrition survey, which was still too early to capture much impact from the above outputs, suggests a very mixed and puzzling picture, with stunting on a downward trend but wasting and underweight increasing along with rising anaemia in children and mothers. Understanding what is driving these trends is a key priority and where possible the analysis should look at data across EEP and CLP.

**Summary of responses to issues raised in previous annual reviews (where relevant)**

* A wide range of actions were implemented by CLP to improve IYCF counselling and promote IFA consumption as well as the monitoring of these activities.

**Recommendations**

1. CLP with DFID and EEP, to identify steps to analyse nutrition survey data further to understand results, including the unexpected trends and underlying drivers, by June 2015.
2. CLP to develop plan for early entry of control groups into DNI programme, in agreement with DFID on end line strategy by June 2015.

## D: VALUE FOR MONEY & FINANCIAL PERFORMANCE

**Key cost drivers and performance**

Key cost drivers remain the same as identified during the project design. These include livelihoods development activities, in particular productive assets ( mostly cattle) transferred to CPHHs; infrastructure development activities (plinth raising, toilets, tube wells and tube well platforms); human development activities (couples’ orientation, operation of satellite clinics, various forms of training); and Management and administration costs (Managing Agent fees, IMO Staff costs).Impact of current political unrest is minimal on cost drivers except slight increase in cattle price for part of the last cohort ( 2.6).The project has achieved a total efficiency savings of £136,821 during the 2014/15 period- mainly for merging two interventions within the market development component (fodder and meat)..

Economy VfM Indicators:CLP-2 Managing Agent (MA) contract as well as the IMO agreements were awarded competitively, in order to obtain inputs at the lowest possible costs. The 7% cap on administration fees (salaries) for IMO is within ranges deemed competitive and enables a greater proportion of funds to reach beneficiaries. 98% of the productive assets transferred to CPHHs are cattle. IMOs, with oversight from the MA, have established a good procurement system which includes trained veterinary professionals accompany staff and beneficiaries when buying cattle, ensuring good quality, healthy cattle are procured. Goods and equipment are also bought competitively and there is evidence that service contracts (e.g. training) are competitively let both by the MA and downstream partners.

Efficiency Indicators:Average household productive asset values rise from BDT 1,687 (around £14) for the control group at baseline to an average of BDT 52,328 (around £444) for households who completed the 18 month cycle of support and continue to rise over time. CLP has a market development component focusing on improving char beneficiaries’ access to dairy and meat markets. Establishment of central collection points, artificial insemination (AI) of cattle, cross-breeding with higher yielding breeds enhances productivity and the rate of conversion of inputs to outputs.

Effectiveness Indicators**:** Graduation (meeting six or more out of ten graduation criteria) aims to assess whether a household is likely to be on the right trajectory out of extreme poverty and is the best means of capturing the overall cost-effectiveness of the programme. According to the 2014 annual survey, 85% of all households meet the graduation criteria at the end of the 18 month CLP intervention period although the rate has increased steadily with each cohort from 66.7% in cohort 2.1 to 91.1% in cohort 2.4. With the exception of cohort 2.2, these rates appear to be sustainable over time with all other cohorts slightly increasing or maintaining graduation rates over time. Among the remaining 15%, some will require more time to graduate and some may never graduate . They will require other forms of support ( safety nets). The differences in skills set ( investment decision), coping capacities to shocks (natural : flood/ river erosion or personal : paying dowry, chronic-illness of family members) are the main factors why are some households doing better than others.

Applying these rates and projecting them forward over the remaining cohorts, the unit cost per core beneficiary households would be £771inclusive of all costs and £907 per graduated household.

**VfM performance compared to the original VfM proposition in the business case**

The original VfM proposition estimated benefit to cost ratio of 4.02, with sensitivity analysis generating ratios of 3.18 to 4.15. A recent Cost-Benefit exercise (April 2014) concluded with a positive assessment, suggesting that CLP offers good value for money, with a cost-benefit ratio of 1.82 and NPV of £145 million. The difference between this 2014 BCR result and the original proposition is due mainly to the latter excluding Government costs and opportunity costs of labour to participating households, and assuming a much more optimistic average daily milk yield of 7.5 litres for CLP-provided cows (compared to 2.5 litres on the ground).

**Assessment of whether the programme continues to represent value for money**

CLP2 continues to represent good value for money. The apparent high unit costs are largely due to the unique context of the chars, with high transaction costs, no government service provision and annual flooding requiring significant additional investments. It is also not appropriate to compare CLP to traditional safety net programmes given the explicit focus on ‘graduating’ target households out of extreme poverty. The VfM Study and Cost-Benefit exercise in 2014 conclude that CLP delivers good Value for Money. A cross-programme Cost Effectiveness study (which includes the CLP) is underway; an initial analysis also shows evidence of good VfM.

**Quality of financial management**

CLP has strong financial management systems. This includes an ‘Activity Based Financial Reporting System’, which enables it to track IMOs expenditure against each budget line to individual activities listed in the reporting system. Expenditure through to the end of January 2015 will be approximately £12.25 million which represents 85% of the overall 2014/15 budget of £14.50 million. CLP expects to spend between 98% of the annual budget. It achieved the target-a 98% spend rate in both previous financial years, demonstrating CLP’s capacity in developing realistic work plans and delivering against them. An external audit conducted in June 2014 did not raise major issues and there has been satisfactory progress to date on audit recommendations. DFID Programme Team carried a spot check in December 2014, observing satisfactory registration and maintenance of assets while recommending further streamlining of an otherwise good fraud reporting system.

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| Date of last narrative financial report | 26 October 2014 |
| Date of last audited annual statement | 26 June 2014 |

**E: RISK**

**Overall risk rating: High.** This should be raised from last year in the context of continued violent political unrest since January 2015 (with no immediate end in sight) constraining staff and vehicle movement during the phase-out period of the project, which already involves higher risks.

**Overview of Programme Risk**

Financial: CLP’s operational environment is assessed to be at high risk of corruption and leakage. The project has over time put in place robust financial controls and safeguards, assessed by different independent studies and DFID’s own reviews. It has successfully recovered misappropriated funds in 2014 from one of its implementing NGOs, with whom it subsequently terminated its contract. The incidence was partly due to some controls, including internal audit and close supervision by CLP staff, not being applied due to countrywide blockade/strikes early last year. While CLP has learnt from the past incidences and has tightened up procedures in response (i.e. financial monitoring by District staff), these are likely to be stretched significantly if the current unrest continues for a longer period. Monitoring and supervision activities have already been affected, with independent verifications by third parties and field visits by CLP HQ staff curtailed for over a month.

Political: Blockade/strikes and random arson attacks continue in the country with huge uncertainty around when this will be ended. Inter-district travel is currently stopped for project staff. Cattle markets are seriously affected in the project operational areas. Logframe targets/milestones for the year are largely still on track however some activities have been negatively affected including infrastructure and asset purchases. In some areas, the value of the asset transfer grant has been increased by an average of BDT 1,000 to ensure participants are still able to purchase quality cattle.

Environmental: *Chars* are at high risk of flash flood almost every year. Mitigation of this risk is built into programme design. Since mid-August 2014, heavy and continuous rainfall in the North West caused high levels of flooding in low-lying areas. From the project’s contingency funds CLP supported 15,525 flood affected households (including 5,665 CPHHs) with flood relief package worth of BDT 1,056 (GBP £ 9) per family.

Management: The role of the Partnership Director has been vacant since August ’14. During the Annual Review period DFID and MSP agreed on the appointment of a new Partnership Director. Given the limited remaining project time, this position should be utilized as strategically as possible. Planning of resources, asset disposal and closure activities by March 2016, including a possible extension, have progressed well at the time of the review. The exit strategy after second round of discussions between DFID and MSP in January 2015 is expected to be finalised in April 2015**.**

**F: COMMERCIAL CONSIDERATIONS**

**Delivery against planned timeframe**

The project comes to an end in March 2016. DFID will explore the possibility of 3 months no-cost extension to enhance sustainability of impact and to allow a smooth wrap-up of the project. Most of the results expected over the review period have been achieved and operational and financial plans are on track. The project is on track to spend 98%-99% of the budgeted amount within the project period.

**Performance of partnership (s)**

The partnership between the Government of Bangladesh, DFID, DFAT and the managing agent has performed well. The contractual partnership between DFID and the managing agent is well managed through regular meetings and communication following standard programme and contract management. CLP has explored and established a number of partnership agreements, most notably with BRAC. Linkages with commercial entities like Pran and BRAC Dairy have resulted in central collection points for milk, strengthening the sustainability of the linkages between char dwellers and markets.

**Asset monitoring and control**

A spot check conducted by DFID staff in December 2015 concluded that most of the assets checked were appropriately labelled and in good condition. The annual external audit in June 2014 observed that some assets (worth about £10,000) had not been utilised for a long time. CLP management have since distributed these to IMOs who had requests for such items.

**G: CONDITIONALITY**

Not applicable.

**H: MONITORING & EVALUATION** (½ page)

**Evidence and evaluation**

Data is disaggregated by age and gender where required and feasible. However, recent studies and annual review consultations highlight an urgent need to further disaggregate reported findings, as reported averages mask significant variance against target indicators. Future reports should go beyond mean scores and provide a breakdown on the range and distribution of values to identify potential areas for further analysis and action. This is particularly relevant for the value of productive assets as well as income and expenditure. Further analysis should also assess if the variance is correlated with key variables, such as geography (i.e. distance to market/town) or particular household characteristics including those of different socially disadvantaged groups, e.g. disabled, female-headed household, widowed, elderly and indigenous women.

The Operational Review component of a series of evaluative activities of CLP is nearing completion, with a draft report submitted at the end of December 2014. This externally facilitated self-assessment was seen to be a valuable exercise, particularly in terms of learning lessons. An evaluation comprising longitudinal monitoring and impact assessment is planned to begin from July 2015. A DFID commissioned cross programme Cost Effectiveness study involving CLP is ongoing.

Monitoring data indicates significant outcomes are being achieved in terms of graduation, women’s empowerment, WASH, livelihoods and food security. Recent data indicates that 85% of CPHHs are graduating (as per CLP’s graduation criteria). However, as addressed above, additional analysis is needed to understand the extent of equity in the achievement of outcomes CLP is in the process of developing an up-to-date study demonstrating nutrition achievements.

**Monitoring progress throughout the review period**

CLP’s monitoring unit has continued its usual programme of monitoring activity, including the annual survey; bi-monthly monitoring; feedback from CPHHs on quality; and ongoing research and reviews. In the remaining programme period, it will be important to take a strategic approach to prioritising research and evidence generation, with particular focus on how findings will be communicated and to whom. It will also be key to ensure that the wealth of data CLP has collected over its lifetime is left in a usable format for use after the programme has completed. This is also an issue of exit strategy.

**Annual Review Process and beneficiary feedback**

The review was carried out and led by a team of DFID and DFAT staff with varied set of competencies. This year the Annual Review had a particular focus on lessons learning for the future. The review took place from 01 – 15 February 2015. Because of political disruptions the team could not conduct any field visits. Instead the review centred on a wide range of meetings and discussions (and skype and telephone calls) with key stakeholders including the CLP Senior Managers, district staff, implementing NGO staff and other relevant informants.

The review team could not collect direct feedback from project beneficiaries. But review of documents suggests that beneficiaries that had escaped extreme poverty were exceptionally positive about the project. Households, direct and indirect, that were benefitted from plinths during the 2014 floods were also very positive as evident from the flood response report. People who were supported during winter also appreciated the project. Partner NGOs were similarly positive about the project and the support they had received from it. Feedback from government was also positive.