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| **United Nations Development Programme**  UNDP Bangladesh |  |

**Final Report**

**Independent Mid-term Outcome Evaluation**

**Country Programme Document (CPD) (2012-2016)**

**Outcome 2.1 (Poverty reduction)**



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**10 January 2016**

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**Acronyms**

ADR Assessment of Development Results

CHTDF Chittagong Hill Tracts Development Facility

CDMP Comprehensive Disaster Management Programme

CP Country Programme

CPD Country Programme Document

CDCs Community Development Centres

DD The ‘Double Difference’ Method of Impact Assessment

DHS Demographic and Health Surveys

DFID United Kingdom Department for International Development

DFI Foreign direct investment

ERD Economic Relations Division

FGDs Focus Group Discussions

GDP Gross domestic product

GED General Economics Division

GoB Government of Bangladesh

HIES Household Income and Expenditure Survey

HDI Human Development Index

HPI Human Poverty Index

ILO International Labour Organization

HPSP Health Population Sector Planning

LGED Local Government Engineering Department

MDGs Millennium Development Goals

MoDMR Ministry of Disaster management and Relief

MoFE Ministry of Forestry and Environment

MPI Multidimensional Poverty Index

PRS Poverty Reduction Strategies

PRSPs Poverty Reduction Strategy Papers

RDCD Ministry of Local Government, Rural Development and Cooperatives Division

REES ‘Relevance, Effectiveness, Efficiency, and Sustainability’ methodology

REOPA Rural Employment Opportunities for Public Assets

RMG Ready-Made Garments

SIF Settlement Improvement Fund

SD The ‘Single Difference’ Method for Impact Assessment

SDGs Sustainable Development Goals

TPF Total Factor Productivity

UNICEF United Nations Children’s Rights and Emergency Organization

UPPR Urban Partnerships for Poverty Reduction

UNDP United Nations Development Programme

**1. Introduction: Context of Evaluation for CPD Outcome 2.1**

The UNDP Bangladesh Country Programme (CP) 2012-16 has been articulated in the backdrop of the development priorities set by the Government of Bangladesh (GoB), as expressed in the Sixth Five Year Plan and the Outline Perspective Plan 2010-2021. These priorities got further amplification in the Mid-Term Review of the Sixth Five Year Plan and in the preparation of the Seventh Five Year Plan, anticipating transition to the Middle Income status by harnessing inclusive growth and ending extreme poverty in the shortest possible time. The objective of this Mid-Term Outcome Evaluation is to provide UNDP Bangladesh analytical inputs to realistically assess the relevance, effectiveness, efficiency and sustainability of its on-going interventions in the area of poverty reduction.

UNDP’s objective in the Country Programme Document (CPD) outcome 2.1 is to achieve “economic growth in a more inclusive manner, with economic opportunities reaching the rural and urban poor and the protection of vulnerable groups against shocks”. Since UNDP’s support is part of overall national efforts towards growth acceleration, poverty reduction and human development, discussion of the country context is in order. Two main messages emerge from a brief review of the literature. First, Bangladesh has made remarkable progress over the last 25 years in the area of sustained growth, resilience against natural and global economic shocks, poverty reduction, human development, as well as women’s empowerment. Second, these gains were not achieved through national efforts only. Support from external donors (through aid, policy reform, and piloting innovative projects) also played a not inconsequential role in bolstering these national efforts. In that context, UNDP’s response to the development challenges of Bangladesh has been creative, engaging and transformative in many ways.

The present report is organized into six main sections. The **first section** provides the “country economic context” to the present outcome evaluation from the vantage point of inclusive growth, poverty reduction, resilience to shocks, and human development. Contextualization is done at three levels—by identifying “the initial conditions” that were prevailing in the country prior to undertaking the new CPD; by highlighting the progressive economic and social gains achieved by Bangladesh during the period of operation of the ongoing CP; and by discussing the medium-term development challenges that need to be taken into account while designing the upcoming new country strategy by UNDP. The **second section** focuses on the UNDP Bangladesh’s institutional—and analytical—response to anti-poverty and inclusive growth through transformative projects, programmes and policy-leveraging interventions, highlighting the role of multiple routes to poverty reduction and resilience. The **third section** provides a descriptive overview, brings the discussion to the next level, giving specific project details about the UNDP’s interventions on the ground for poverty reduction. The **fourth section** discusses the key conceptual and methodological issues relating to the evaluation relevant to CPD Outcome 2.1. It also indicates the main analytical and statistical considerations involved in the choice of evaluation methods and framing of empirically verifiable evaluation indicators. The main findings of the evaluation using the REES methodology have been presented in the **fifth section**, while policy recommendations for the next phase of UNDP’s engagements have been considered in the **sixth section**.

## 1.1 Country Poverty Context in the 2010s

Bangladesh had a difficult beginning. Once dubbed as “the test case for development” (Faaland and Parkinson 1975), the country has risen against initial pessimism and all odds. In 1974, Bangladesh occupied second lowest place (lowest being Rwanda) in World Bank’s global ranking of countries according to per capita gross national product (GNP). In 2015, the same ranking characterized Bangladesh as entering into “the Club of Lower Middle Income”. The story of Bangladesh’s ascent—like any story of success—has several ingredients and can be told through diverse vantage points (Abdullah and Sen 2000; BIDS 2001; Sen 2003; Sen and Hulme 2006; Asadullah et al. 2014; Hossain, Sen and Sawada 2015). It is the story of success in green revolution, population control, and low-cost solutions in the area of basic education and preventive health. It is a story of making strides towards women’s empowerment through economic participation, gender parity in basic education, and gender-sensitive health Millennium Development Goals (MDGs). It is also a story of the silent upward mobility of relatively unskilled labour—through agriculture, rural non-farm, domestic migration to cities and international migration to over 100 countries, and continued vibrancy of export-oriented readymade garment sector. A few statistics on economic progress illustrate the nature of these contextual changes.

First, the growth rate of the economy is considered to be one of the key measures in judging economic progress. Thus, the growth rate of gross domestic product (GDP) has accelerated over each five-year interval since 1991, from 4.5% in 1991-95 to 6.3% in 2011-2014 (Figure 1/ Table 1). As population growth declined rapidly during this period (from an annual 2.2% in 1990-95 to 1.1% in 2005-10), gains in aggregate affluence were even more impressive in per capita terms (the latter is a more relevant measure for judging a country’s long-term growth performance). The per capita GDP growth has accelerated from 2.3% per year in 1991-95 to 5.4% per year in 2011-14—*one of the fastest* in the developing world. Remarkably, this growth pattern has been marked with least volatility—*one of the lowest* in the developing world.

Second, this growth acceleration was accompanied by considerable structural change. Agriculture’s share declined from 29% to 17% during 1991-2014, while industry’s share rose from 21% to 29%. Incidentally, the service sector’s share has registered a modest increase from 50% to 54% during this period; there has been a gradual shift towards high-value added sectors with services. This compositional shift in national output was accompanied (or significantly brought about) by enhanced outward orientation. The share of exports in GDP rose from 8% to 21% and the overall trade ratio has increased from 22% to 48%. Taking into account the most recent trends, one can say that more than half of the national economy is now integrated with the global market.

Third, workers’ remittances now comprise 12% of GDP in 2012, up from 3% in 2003, and play a critical role in easily offsetting the trade deficit. Thus, they have become a major contributor to the country’s strong current account position. Overseas migration of people in large numbers – and the consequent economic impact of workers’ remittances – has been an important part of changing ground realities in Bangladesh, affecting construction and urban sectors. Urbanization has also proceeded well, from about 12% in 1983/84 to 29% in 2011. All this augurs well with the modernization and industrialization of what was once a predominantly agrarian society.

Fourth, the observed growth and structural changes of the economy were not insensitive to inclusiveness either. The growth process in Bangladesh has been inclusive with respect to poverty reduction, human development inequalities, and even with respect to consumption inequality trends. This was evidenced in the rapidly falling poverty numbers (however measured), especially in the last 15 years. The incidence of poverty declined at a modest rate from 57% in 1991/92 to 50% in 2000, but the pace of reduction accelerated in the subsequent decade with the poverty headcount further down to 32% in 2010 (the latest available year for the Household Income and Expenditure Survey or HIES). This reduction process also touched the fate of the poor. The proportion of the latter in the national population has also declined mirroring the same pattern: it declined slowly in the 1990s (from 41% to 34%) but the pace of decline was faster in the 2000s (from 34% in 2000 to 18% in 2010) (see, Figure 2 and World Bank 2013).

In other words, it took Bangladesh 20 years to halve its overall national poverty and national extreme poverty—5 years ahead of the MDG target. Surely, building on the past progress, Bangladesh can be bold in striving for greater and nobler targets. The central question for the present evaluation is whether external support—by way of UNDP’s anti-poverty interventions as a concrete example—can aid further the process of Bangladesh’s ascent. This is not an easy task in the backdrop of unpredictable global economic uncertainties.

### 1.1.1 Initial Conditions Preceding the New CPD

In many ways, the decade of 2000s ended in the midst of widespread unease, setbacks, and uncertainties in the global scene. The period of 2008-2011 (i.e. years immediately preceding the new CPD of 2012-16, which is the focus of the current evaluation exercise) was arguably not the best of times globally. Instabilities and doubts were lurking still, as countries were struggling to come out of the after-effects of the global financial and economic crises of 2008-09. Certain pillars of wisdom pertaining to free-market orthodoxy relating to exclusive focus on growth and methodological individualism were knocked off and, consequently, signaled certain revivals of policy interest in regulation, resilience, redistribution and collective well-being. The global economic shocks, especially on the trade and foreign remittance fronts, could have been worrying for Bangladesh. After all, openness to international trade accounted for about half of its GDP with a rising GDP share of foreign remittance exceeding 10% (in contrast, external aid was less than 2%) (GoB 2014). However, the country was fortunate to be able to avoid serious setbacks on both fronts. Domestically, while political unease continued, economic and human development gains were more than offsetting effects, even generating a certain sense of long-term economic stability in the backdrop of short-term political uncertainties.

To the surprise of many, Bangladesh entered the 2010s with optimism and hope backed up by decent performance on both macro growth and micro poverty reduction. There are countries which have done well in growth but not so much in human development (as in Pakistan during 1960-80 or India during 1991-2011). There are countries which have done well in human development, but not in growth (as in Sri Lanka during 1980-2010). Bangladesh belongs to the rare third group of countries with proven successes in both growth and human development, where policies maintained dynamic balance between growth and human development objectives in a sequenced and reinforcing way. In fact, even before the country entered into the Club of Middle Income, it entered into the Club of Medium Human Development. Bangladesh’s success in meeting basic education and health MDGs did not go unnoticed in the recent development literature (see, for instance, Dreze and Sen 2013).

The other positive dynamic has been Bangladesh’s progress in being able to “walk on two legs”—balancing agriculture and non-agriculture at the same time—that set the stage of inclusive growth. On one hand, the rate of technical progress in agriculture (as captured by Total Factor Productivity or TFP growth estimate for the period of 2000-2008) in Bangladesh has been rated as being one of the highest in the developing world (higher than even China) (World Bank 2015). On the other hand, the country differed from the rest of the low-income countries in being able to opt for an atypical (for Least Developed Countries) strategy of manufactured exports as opposed to typical primary goods exports. In the past few years, Bangladesh has been able to secure the second highest place in apparel exports after China—a sector where 80% of the workforce is female (Sen 2014). The apparel sector now commands an industrial work force of 4.5 million where female workers come with some exposure to education. The growth of the Ready-Made Garments (RMG) sector contributed to poverty reduction in both rural and urban areas: most of these workers are migrants from the countryside who originally belonged to the poorest category in terms parental conditions, thus playing a hidden role in rural poverty reduction as well (Sen 2014).

Success of the apparel sector along with the robust growth in remittances from abroad has been matched by the equally vibrant role of agriculture. While the RMG and remittance supported the fast pace of urbanization attracting surplus labour from rural areas, decent agricultural growth led to food security at the macro level and released resources for non-food sectors (especially human investments and financial investments) at the micro level. In both rural and urban areas, the bulk of investment demands of the poor have been met by the innovative financial sector in the form of microcredit and microenterprise loans. As the agricultural surplus labour continued to be absorbed in non-agricultural sectors, the resulting labour market tightening led to eventual rise in rural wages, benefiting the poorest.

The combined effects of all these sectoral interventions created “favorable initial conditions” in the beginning of the 2010s with positive implications for income growth of the poor, resilience against shocks and sustainable poverty reduction. This diagnostic analysis has direct bearing on the present discussion since most of the UNDP projects included under the CPD Outcome 2.1 actually came into being (some boldly progressed from first-generation to second-generation and/or moved from the pilot phase to the phase of broad-based replication) in the 2010s and thus had indirectly benefitted by the overall favourable macro and institutional contexts. It is easier to operate anti-poverty interventions in the context of a “rising tide” i.e. growth forecasts are optimistic, poverty is declining due to sustained gains in real wages, and social cohesion is capitalizing on positive job market and human development trends. In such contexts, project or programme benefits get magnified through “interaction effects” with the overall economic and social environments. Timing of appropriate interventions through opportunity-seizing serialization of concrete projects and policies, therefore, becomes a strategic “conjunctural” issue of sequencing and leveraging transformative (institution-changing) reforms on the ground. This applies to all institutional actors, including UNDP. The unfolding events in the 2010s indicate that possibility, suggesting that the timing of anti-poverty interventions, perhaps, could not be better.

**Table 1: Trends in Macro Indicators**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Five Yearly Average (percentages) | | **Years** | | | | |
| **1991-95** | **1996-00** | **2001-05** | **2006-10** | **2011-14** |
| **GDP Growth Rate (%)** | | 4.50 | 5.21 | 5.44 | 6.21 | 6.29 |
| **Share in GDP** | **Agriculture** | 29.23 | 25.68 | 25.03 | 19.65 | 17.13 |
| **Industry** | 21.04 | 24.87 | 26.20 | 27.67 | 28.52 |
| **Service** | 49.73 | 49.45 | 48.77 | 52.69 | 54.36 |
| **Investment (as percent of GDP)** | **Overall** | 18.75 | 21.50 | 23.62 | 24.81 | 28.18 |
| **Public** | 6.65 | 6.78 | 6.44 | 5.15 | 6.24 |
| **Private** | 12.10 | 14.74 | 17.18 | 19.65 | 21.95 |
| **Trade Ratio (as percent of GDP)** | **Overall** | 22.20 | 28.32 | 32.88 | 41.42 | 47.85 |
| **Export** | 8.30 | 11.08 | 13.36 | 17.72 | 20.45 |
| **Import** | 13.90 | 17.24 | 19.52 | 23.70 | 27.40 |
| **Remittance (in Million US $)** | | 969.20 | 1574.40 | 2933.00 | 7874.20 | 12246.50 |
| **Budget Deficit excluding foreign grants (as percent of GDP)** | | -5.20 | -4.50 | -4.52 | -4.48 | -4.50 |
| **Public Expenditure-GDP Rate** | | 14.43 | 13.65 | 12.76 | 14.91 | 16.43 |
| **Tax Revenue-GDP Rate** | | 7.90 | 7.40 | 6.51 | 8.88 | 9.93 |
| **Inflation Rate** | | 6.10 | 5.83 | 3.12 | 7.66 | 9.71 |

Source: Bangladesh Bureau of Statistics (BBS), Bangladesh Economic Review 2014, 2012, 2005

### 1.1.2 Sustained Positive Economic and Social Trends in the 2010s

The economy was on the rising curve in the 2010s when UNDP’s interventions went from the design stage into operations. The upbeat economic and social trends are discernible in areas where past performance was comparatively lagging (as in the case of farm wage, energy and child nutrition). Several aspects are noteworthy.

First, sustained GDP growth in excess of 6% with least volatility has been a hallmark of Bangladesh’s development experience of the 2010s. Whether the growth performance of the economy could have been better is a debatable proposition: the annual targets of 7%-plus, as stipulated in the Sixth Five Year Plan (FY2011-FY2015), were never realized. However, this was a decent growth result against the backdrop of domestic political instability and marked slow-down in the emerging economies, including India and China.

Second, Bangladesh was able to tap into new opportunities, resulting in robust export and remittance flows. Domestically, crop agriculture further diversified into high-value added vegetable and fruits—thereby increasing the supply of micronutrients. The faster growth of non-crop agriculture—especially aquaculture and poultry products—has been one of the salient features of this period. The growth of non-rice and non-crop sectors benefited from the income growth of the poor, as these products are income-elastic. It seems that poverty reduction has started to have pro-growth effects, as demand-constraints begin to ease.

Third, stable growth at 6%+ did not bypass the poor and the poorest. While the evidence of HIES 2015 is still pending, some indirect examples indicate that there have been sustained gains in reducing poverty in the 2010s. Here we briefly consider three pieces of indirect evidence. The first indication is the continued growth in real wages in both agriculture and non-agricultural sectors, and the structural break in farm wages occurring in the aftermath of 2007/08. In 2014/15, an unskilled farm labourer could earn daily a wage that is equivalent to 10-12 kg of rice; this may be contrasted to less than 3 kg of rice in the early 1990s. Since farm wages for the unskilled labour set the floor price in the labour market, the gains to the construction and manufacturing sectors were similarly high during this period.

The second signal is given by the trends in child under-nutrition as per the Demographic and Health Surveys (DHS). Preliminary findings from the recently released results of DHS 2014 show that impressive progress has taken place in the area of child nutrition reduction. Thus, proportion of children who are stunted—a measure of long-run nutritional deprivation—has come down from 41% in 2011 to 36% in 2014. Similarly, the share of children underweight—a measure of nutritional deprivation in the medium-term—has dropped from 36% to 33% during the same period. What is remarkable is that even the wasting measure, a measure sensitive to short-term change, has also dropped from 16% to 14%. Given that child nutritional trends closely follow poverty trends, we can predict that not only child nutritional-poverty but also overall consumption-poverty has possibly declined equally impressively in the first half of the 2010s.

The third evidence comes from growth-poverty projections. Even at the advent of 2010s, the country was well in advance of reaching the MDG target for reducing national headcount measure of poverty. By 2010, it had already dropped to 31.5% from a level of 56.8% in 1991/92. An extra effort was needed—in the order of an additional 3.1% drop—to bring the national poverty level to the desired MDG target of 28.4%. This is an eminently doable task and probably has already been achieved. The growth projections presented in Sen and Ali (2015) show that the poverty decline continues to be fast in the 2010s. The country’s poverty headcount might be 26.4% under a conservative 5% growth scenario and 25.5% under an average 6% growth regime in 2014. Again, both the projection figures for Bangladesh compare favorably to the country-specific MDG target rate of 28.4% set for 2015.

Fourth, since poverty is multidimensional, it is important to consider trends in non-income dimensions in the 2010s. Non-income poverty cannot be directly computed as consumption-poverty, but we can track aggregate trends, and for some indicators, also capture to what is happening to poor and the poorest with respect to elementary human development indicators. At the aggregate level, achievements on basic human development indicators have been impressive for a relatively low level of income. Bangladesh has performed well on a range of social targets, i.e. “first-generation” MDGs (MDG2, MDG3, MDG4, and MDG5) though quality concerns in education and health persist and not all dimensions within these goals are adequately addressed. The main message we want to underscore is that improvements were well distributed i.e. did not bypass the poor or poorest. The level of human development of Bangladesh’s poorest people has improved considerably over the past two decades, independent of measurement strategy. For some indicators, not only have there been absolute improvements, but also relative improvements (i.e. equity in human development has improved) (Sen and Ali 2015).

Our main focus here is on the poorest group as the key concern of pro-poorest growth and inclusive development. Since disaggregated data by wealth quintiles are only available for the surveys done in the 2000s, we study the trends between 2004 and 2011 (the matched data for 2014 are not available). The exercise indicates the trends of human development improvements for the extreme wealth group. For example, the share of illiterate people in the extreme poverty groups has gone down from 64% to 46% over just 7 years. The poorest now have better educational human capital than before, which bodes well for their future livelihood pursuits, attendant incomes and productivities. The other positive development relates to improved child mortality rates. Specifically, the under-five mortality rate for the lowest asset quintile has dropped impressively from 121 in 2004 to 64 in 2011 i.e. halved over such a short period. This is attributable to declining fertility that started in the 1990s, but continued at a fast pace even in the 2010s. The combined effects of the decline in mortality and fertility would imply that the quality of childcare has possibly increased in the poorest wealth group. Generally, this success of social development is attributed to the role of innovative low-cost technology (Mahmud 2008) and diffusion through community interactions (Dev et al 2002).

An important driver of human development in the 2000s and 2010s pertains to the gradually changing social status of women across wealth categories. The proportion of women with access to antenatal care has increased from 33% to 48% over 2004-2011. The matched improvements in these indicators must have been even more dramatic compared to the counterfactual that was prevailing in the beginning of the 1990s. The well-being of women changed at a faster rate for those who were economically empowered (Kabeer 2002; Eswaran 2014).

In summary, favourable initial conditions along with subsequent rolling of upbeat economic and social performance have exerted positive influence on the outcomes of anti-poverty interventions conceived under the CPD Outcome 2.1. However, this did not come without medium-term challenges on several fronts. The relevance of these emerging challenges for designing UNDP’s response can hardly be overemphasized.

### 1.1.3 Medium-Term Challenges in Anti-Poverty Post-2015

Medium-term challenges can be grouped into three main categories. First, some of them are in the nature of second-generational challenges. These encompass diverse sectors and include, among others, sustainability of ascent from poverty through the conventional route of microfinance and/or self-employment; the quantity-quality trade-offs in human development; modernizing traditional safety-net programmes by attracting non-token transfers, resilience against life-cycle risks, and fostering sustainable graduation. Second, some medium-term challenges relate to the sphere of institutional reforms, demanding specific policy/institutional measures from the central and local state. The latter maps the entire issue of local governance and revitalization of public service delivery that can compromise the project results. It also envisages building collective action and coalescing collective initiative (social mobilization) into a durable legal-institutional entity. The problem of transition from pilot or learning-by-doing phase to broad-based nation-wide replication is a salient feature of these challenges. Third, some challenges are rooted in the growth process itself, such as trends of rising income and wealth inequalities as a consequence of growing skill-divide and/or “governance-divide”. It is well-known from the inequality literature that dynamic productivity differences across skills and sectors in the process of structural transformation may put a country firmly on the “rising part of the Kuznets curve”, thus exacerbating income inequality. The latter can also be conditioned by deteriorating sectoral governance conditions, particularly affecting access to natural (environmental) resources such as land, which has adverse implications for poverty and worsening income inequality. The declining inclusiveness, as epitomized by rising income and wealth inequalities, cannot be addressed by project interventions alone and requires programmatic action, including leveraging catalytic policy and institutional interventions.

Effective responses to these challenges require identifying clear dark spots in the overall positive efforts at inclusive growth and development. A few examples from the vantage point of CPD Outcome 2.1 are given below.

Firstly, the backlog of extreme poverty remains to be addressed, as it is often the moderate poor and vulnerable non-poor who tend to benefit disproportionately more than the extreme poor (Sen and Ali 2013). Ending extreme poverty by 2021 would make a qualitative difference to attaining the Middle Income status—a goal that still requires additional efforts within the overall rubric of retrospective and prospective anti-poverty interventions.

Secondly, relative inequality is being placed frontally in the mainstream of post-2015 agenda, though past experience suggests very little success in moderating income inequality through anti-poverty projects/programmes. It is true that Bangladesh may appear exceptional in one respect, since it is experiencing stable consumption inequality in rural areas and declining inequality in urban areas. This has been contested in the recent literature. Even though consumption inequalities showed stable trends in the 2000s, this situation is bound to change in all likelihood in the 2010s (Osmani 2015). Stable rural consumption inequalities in the face of rising rural income inequalities are likely to be temporary (short-lived) gains, attributable largely to easy availability of microfinance in the 2000s. Once the saturation point is reached in the spread of microfinance, the scope for additional consumption financing beyond what is permitted by income would be severely limited. In urban areas, official statistics understate the trends of fast rising income and wealth Inequalities from the HIES sample frame.

Thirdly, there are new human development challenges that are affecting transition from preventive to curative health care and from quantitative educational indicators to those targeting learning outcomes according to the internationally acceptable standard.

Fourthly, even where there have been resounding successes in the recent past, sustaining positive trends is becoming a pressing concern. Thus, Bangladesh’s success in generating more jobs for relatively unskilled labour have an important route for mopping up the burden of surplus labour in rural areas. Maintaining this success will require new growth drivers; examples range from potentially large employment effects of China’s rising wages for relocation of apparel jobs and much needed foreign direct investment (FDI) in the areas of energy, ports, connectivity and export-led manufacturing. Similarly, a country with the territory of Wisconsin and population that is ranked right after Russia needs innovative approaches to poverty reduction, human development and inclusive growth that is consistent with a densely populated environment. Consequently, a new approach to service delivery is needed which focuses on managing rural-urban migration and urbanization, decentralization, the heightened role of the media in development, as well as fostering transparency and anti-corruption at all levels.

To sum up, the nature of medium-term challenges are bound to be different from the past tales. In the 1990s and 2000s, “low cost technology solutions” provided success in promoting the green revolution, population control, spread of basic education, preventing child mortality, expansion of simple microcredit, female stipend schemes, food-assisted post-disaster safety net programmes, and building/maintaining simple technologies such as road-culverts. The current need is for complex institutional solutions with focus on skills, strategy, coordination, capacity, flexibility, development coalition building across diverse sets of actors, as well as a balanced positioning on issues of market incentives and social responsibilities. This also includes measures for mobilizing new sources for anti-poverty finances (added internal revenues from new forms of taxes and expanding tax base), reinventing the national and local governments for new capacities and roles commensurate with the new stage of development associated with lower Middle Income status, preparing for the transition from MDGs to Sustainable Development Goals (SDGs), and demanding new ways of thinking about development and inclusiveness in the context of post-2015.

# II UNDP’s Response to Anti-Poverty and Inclusive Growth through Transformative Interventions

It is in the context of substantive gains and daunting challenges that faced the economy in the early 2010s UNDP drew its plan of action to influence the pace of development in Bangladesh. This plan of action has been embodied in specific programmes, projects and policies described in the next section. Presently, we attempt to see the “forest behind the trees” i.e. sketch out the broad features of UNDP’s interventions without delving into the programmatic details.

The development strategy of the Government of Bangladesh (GoB) was reflected in the Vision 2021 and in the articulation of the Sixth (the on-going preparation of the Seventh Five-Year Plan is in line with this vision) Five Year Plan and Mid-Term Review of the Sixth Five Year Plan (henceforth, referred to as the Sixth Plan). Central to this shared vision of UNDP is a *strong focus on inclusive growth and sustainable poverty reduction*—captured by the pillar of “pro-poor economic growth with equity”—which is also valid in case of the Government ’s Outline of Perspective Plan 2010 -2021, the Sixth Plan, and the forthcoming Seventh Plan. This articulation of shared vision was originally informed by the results of an extensive MDG assessment exercise undertaken jointly by the Government and United Nations system in 2010. For the CPD 2016-20, additional stimuli came from the on-going discussions around the Post-2015 agenda and the transition from “MDGs to SDGs” that brought to the fore the issue inclusiveness, resilience and empowerment. The Sixth Plan document already called for adopting the strategic approach of “pro-poor growth with equity”. By 2011, the UNDP CPD (as well as UNDAF) advanced further this concept of pro-poor growth by invoking the broad concept of inclusiveness. Pro-poor growth was re-defined as “economic growth [that] is achieved in a more inclusive manner with economic opportunities reaching the rural and urban poor and the protection of vulnerable groups against shocks” (UNDP 2011). The new formulation found recognition in the Results Framework under Outcome 2.1. The choice of the term “inclusive growth” in the above formulation has been consciously made *conditional* on poverty reduction by linking the poor with economic opportunities and by offering them protection against shocks, at least for the most vulnerable groups.

## 2.1 Interrogating Inclusiveness

Three aspects are worthy of additional analytical attention here for deeper understanding of the conceptual retooling spearheaded by the UN system globally. First, even though the term “pro-poor growth” (or, for that matter, “inclusive growth”) was not a novel concept, it acquired new face and meaning in the changing global and national contexts of the 2010s, as outlined in the preceding section. As is known, the term “pro-poor growth” gained currency in the context of post-Washington Consensus and (Poverty Reduction Strategy Papers) PRSPs in the early 2000s. Different statistical measures of “pro-poor growth” were proposed by the World Bank (Ravallion and Chen 2003), the Asian Development Bank (Kakwani and Pernia 2000; Son 2004) and the DFID (Besley and Cord 2007). Sequentially, the term “inclusive growth” emerged later, popularized by the Growth Commission (CGD 2008) led by the noble laureate Michael Spence. The difference between the two terms was not inconsequential (Sen 2014). While the term “pro-poor growth” focused on the income growth of the poor and the poorest (as proxied by the Ravallion-Chen measure), the term “inclusive growth” drew attention to inequality of opportunities and outcomes (variously captured). The Growth Commission, however, remained unsettled as to the “relative weight” to be assigned to different dimensions of inequality (consumption vs. income, income vs. wealth, opportunity vs. outcomes). “Inequality of what”, to paraphrase Amartya Sen, continues to be a “momentous question” (Sen 1992).

Second, conceptual ambiguities that remain within the discursive formation of pro-poor growth and/or inclusive growth were challenged by the actual developments on the ground. The aftermath of 2008/09 global financial and economic crisis led to the new realization of the importance of having effective global and national economic governance—which may be defined broadly as transparency, voice, accountability and regulation—even in the context of developed and emerging markets (Galbraith 2012). The Arab Uprisings of the early 2010s drew attention to the mounting problem of jobless growth and attendant social cohesion. As the MDG target date of 2015 drew nearer it became apparent that much more frontal initiatives were necessary to support women’s economic and social empowerment, even if only instrumentally, to meet gender-sensitive education and health targets. Consequently, from the view-point of inclusiveness, the main effects of all these developments on the ground have been in the area of rethinking inclusiveness itself in terms of creating more and better jobs, a renewed pledge to address the income and non-income inequalities both within and across nations, and a stronger focus on social cohesion, especially the women and the youth.

Third, a revitalized academic focus on inclusiveness and a ground-reality driven acute realization to address popular concerns around inequality is a new aspect global discourse in the 2010s not seen in the preceding three decades. Such a change in public mood could be scarcely anticipated in the wake of Washington Consensus in the early 1990s. The new emphasis on inequality did not signal, however, deviation from the original motivation of helping the less fortunate in their quest for ascent from the poverty traps. Poverty was not displaced as a key analytical issue by the new concerns on inequality. In effect, the growing discourse on inequality or inclusiveness gave a new lease of life to poverty concerns: the effect of inequality on poverty, after all, was additive and multiplicative. The central argument runs as follows.

To be accurate, the multidimensionality of poverty was recognized already in the 1990s. What was new in the recent discourse is the highlights on adverse economic and social effects due to rising or persistently high income and wealth inequalities for the poor and the poorest. Inequality affects the pace of poverty reduction by reducing long-term growth, and by creating over-accumulation of idle physical capital stock (compared to the general rate of technological progress in the economy) resulting in what Abhijit Banerjee (2009) terms as the “investment inefficiency of the rich”. As concentration of physical wealth is correlated with concentration of political/policy power, pro-poor redistributive tax measures as a response to the inequality problem cannot garner adequate support of the elite and hence remain unimplemented in most cases. For example, both Piketty (2014) and Atkinson (2015) have shown that wealth tax policies are met with little success in these countries and consequently, allocative efficiency in the distribution of capital cannot be easily achieved. As a result, over-accumulation of wealth persists side by side with under-accumulation of wealth, with the poor left starved of access to savings, finance, stocks, and productive capital.

Inequality also affects poverty through the human capital route. Placement of public assets is contingent on the political/policy power of different economic classes and social groups. Consequently, unequal distribution of political power leads to underinvestment in public infrastructures supportive of human capital development of the poor and the disenfranchised. This leads to inter-generational barriers in moving out of poverty through deliberate accumulation of human capital and/or skill formation. Inequality is also known to thrive on misgovernance (including environmental misgovernance) that further erodes the natural asset base of the poor. Lastly, there is the well-known “conflict effects” of inequality. Rising and high inequalities, especially in natural resource economies, often lead to social conflicts, including “backtracking of democracy” that, in turn, hurt the poor most.

The upshot of the above is to point out that inequality has potent implications for poverty reduction seen through various routes and pathways, as outlined above. Attaining “economic growth in a more inclusive manner” is not an inconsequential objective under CPD Outcome 2.1 even from the perspective of poverty reduction. It is, at least, as important as other objectives pertaining to extension of economic opportunities to rural and urban poor as well as protection of the vulnerable groups against shocks. The relevance of the latter two sub-objectives is hardly debatable. After all, creating additional economic opportunities for the poor and offering them protection against shocks are widely considered as necessary ingredients for sustainable ascent from poverty. However, incorporation of the inclusive growth paradigm in CPD Outcome 2.1 puts additional claims. Specifically, it demands that we see beyond just creating opportunities and preventing shocks for the poor, and that we examine the explicit or hidden links of persistently high income and wealth inequality with the persistent poverty and vulnerability.

Past works on income inequality by Khan and Sen (2006), Osmani and Sen (2011b) and Osmani (2015) show that Bangladesh has been experiencing appreciable increase in income inequality. To what extent UNDP’s interventions (as defined by projects/programmes with implications for CPD Outcome 2.1) have been able to address, in practice, the adverse inequality-poverty-vulnerability links is still unclear to the evaluation team and this issue remains to be examined further in the course of the present evaluation.

**2.2 Operationalizing Inclusiveness through Anti-Poverty Interventions**

Now that UNDP is presumably armed with new concept of inclusive growth that is predicated on combating adverse effects of persistent inequality while creating the space for economic opportunities of the poor, and protecting the most vulnerable against shocks, the question that immediately springs up is—what is to be done about it? UNDP had to think sensibly about the choice of anti-poverty interventions through a careful mix of projects, programmes and policy initiatives to achieve this end objective. We call this the problem of “operationalizing inclusive growth”, dictating identification of country-specific sectoral priority, project mix within a sector, internal and external capacity assessment, country ownership, traction with key development actors (including GoB, private sector, NGOs, and other development partners), and the extent of sectoral and macro policy leverages.[[1]](#footnote-1)

Here we make an attempt to analytically summarize the nature of UNDP’s anti-poverty interventions by pinpointing the salient features of their possible intended effects. Do these interventions suggest multiple routes out of poverty? Do they correspond to the multidimensionality of poverty? Do they focus on preventing the descent into poverty in addition to assisting the ascent from poverty? Do they target only the urban proximate areas leaving out the poorest poverty pockets? Do they address new poverties in urban areas? Do these interventions aspire to scale up from innovative pilots to the stage of nation-wide replication? Do they catalyze (apart from delivering immediate project benefits) forces of broader policy change capable of bringing about structural transformation? What moments seem to be missing from the project mix from the view-point of poverty analytics and inclusive growth diagnostics? From basic review of the project documents, and based on our past experience in conducting poverty diagnostics, several trends seem to emerge.

### 2.2.1 Many Dimensions, Multiple Routes

UNDP anti-poverty interventions recognize the importance of both income and non-income dimensions. In a sense, that is expected from a global actor like UNDP, spearheading the campaign for “human development” paradigm for the last three decades. The human development index (HDI) as well as its deprivational counterpart, the human poverty index (HPI), had both income and non-income dimensions. Of course, the non-income dimensions themselves can be of diverse expressions, not limited to education and health dimensions. The recent innovation of the multidimensional poverty index (MPI) has advanced in that respect further.

Three aspects of multidimensionality, however, warrant further commentaries. First, it is not that multidimensionality is expressed only in the overall mix of anti-poverty interventions. For large projects, multidimensionality had to be given due consideration for ensuring effectiveness of the outcomes (however defined), harnessing synergies among project objectives, and contributing to the sustainability of intended effects. As explained further in Section 3 below, typically, projects such as CHTDF, UPPR, or REOPA have not dealt with livelihood (or income growth) aspects alone; they also envisage some forms of social mobilization around savings, credit, educational incentives, or conscientization about self-care or subsumed some forms of preventive care. Income growth, savings mobilization, educational achievements of children, health knowledge, collective action around public goods, social cohesion, women’s voice and rights issues seem to figure in a package like setting in many of these programmes. However, not all the dimensions may have been served equally or deservedly.

Second, multidimensionality is often linked with being mindful about social *heterogeneity* of the target groups. A multidimensional anti-poverty intervention addresses deprivations in many respects. They are likely to address consumption-shortfalls as well as literacy-gaps and/ or nutritional deficiencies, thus more likely to respond to the need of the different groups of the poor compared to unidimensional programmes. However, there is no guarantee that successful targeting would be achieved by even a multidimensional programme. Interventions are often more successful in preventing errors relating to “vertical targeting” (similar social group but with different income levels) compared to “horizontal targeting” (different social groups with same level of income). Part of the problem lies in the nature of present-day distributional conflicts, which thrive on the politics of identity (as in case of caste politics in India at large or, perhaps, ethnicity based exclusions in some parts of Bangladesh). When targeting is based on income-poverty criteria there are risks of leaving out the statistically outnumbered social groups that are marginalized by other forms of oppression. This opens up the possibility of a disjuncture between multidimensionality and heterogeneity, especially in the backdrop where marginal social identities are becoming increasingly miniscule in number (i.e. when the latter lack adequate command over electoral and /or social voices, influences, and resources) compared to the majoritarian formation. Alternatively, they may be sparsely distributed spatially and hence likely to be missed out in the pilot phase of the programmes. The plight of the hill-people in the backdrop of on-going “politics of settlement” is a case in point (Mohsin 1997).

Third, multidimensionality also dictates the necessity of adopting *multiple routes* in anti-poverty interventions. This involves different pathways for poverty reduction, including livelihood projects directly impacting the income growth of the poor, public investments in infrastructure that improves connectivity to markets and influences the level of human development, risk-insurance programmes, collective mobilization that promotes agency of the poor, including women and the socially deprived groups. None of these routes—taken separately—can address adequately the complexities of *poverty traps* implied by multidimensional poverty and/or multidimensional inequality. However, considered together, they can be transformed into a powerful tool for poverty eradication in a short period of time.

### 2.2.2 Rethinking Spatial Dimensions

Analysis of the country context at the advent of the 2010s (see, Section 1) has revealed considerable diversification of economic activities, including rural-urban temporary migration for work as well as more durable locational shift to urban areas associated with urbanization. UNDP’s anti-poverty interventions seem to have responded to this trend well. Two aspects are worthy of note here.

First, the pace of urbanization has been very high in Bangladesh in the recent decades. The share of urban areas in total population has increased from less than 5% in 1974 to 20% in 1991, rising further to about 30% in 2011 and estimated to be 35% in 2015. If the present trend continues—there are visible signs that it will continue in all likelihood due to forces of globalization and modernization—the share of urban population will exceed 45% in a decade’s time. Since productivity of labour is higher in urban areas, there is economic sense in migrating from low-wage rural areas to high-wage urban areas. Faced with such economic realities, GoB and the major development partners such as UNDP, ADB and the World Bank anticipated the critical importance of fostering urban sector’s capability to absorb the surplus labour from rural areas quite early on (this realization dates back to the start of the 2000s). The problems of “slum-isation of urban poverty” and, more broadly, of urban local governance were hot topics even then. What is new in the present urban discourse is the increasing realization that Bangladesh’s growth futures are inextricably linked with “urban futures” (without however deemphasizing the due role of agriculture).

The moot question is—how to support urban growth and development in a “more inclusive manner”? It is this compulsion of addressing the inevitable journey to the urban futures, perhaps, has prompted UNDP—and quite early on at that—to respond to the challenges of inclusive urban growth and urban poverty reduction. Projects such as UPPR has started in 2006 and developed in the subsequent period in several important directions since then. One key aspect of urban engagement of UNDP appears to be in its focus on small and medium-sized cities outside of the mega polis of Dhaka. Bangladesh is characterized by high urban primacy with Dhaka city alone claiming more than 45% of the total urban population. According to the so-called “Henderson point”, a 40% primacy rate is considered to be the cut-off point after which unaffordable congestion diseconomies start choking the benefits of urban growth. Consequently, the programmatic focus on non-Dhaka urban areas has the merit even from the perspective of maintaining growth dynamic (i.e. in addition to the inclusiveness consideration involved in targeting small and medium-sized cities).

Second, spatial focus is needed for achieving inclusive growth not just from the view-point of tracking changing urban-rural composition of growth. The spatial focus is also conditioned by the need for addressing the unevenness of poverty incidence across different agro-ecological zones. The incidence of poverty (and vulnerability, the latter defined as *volatility* of income) is higher in case of coastal belt compared to the national rural average (Yunus and Sen 2015). There are areas that are not extremely high in terms of poverty but remains highly vulnerable to natural shocks such as floods, as a result these areas under-invest in human development. The districts located in the low-lying *haor* basin illustrate such possibility (Sunamganj district, for example, has much lower incidence of poverty but much higher incidence of human poverty compared to national averages). Other lagging regions include salinity-prone areas in the South, river erosion prone areas in the North-West, and drought-prone areas in the Rajshahi division. To what extent the spatial dimension has been kept in view in designing UNDP’s anti-poverty interventions remains to be explored further in the present evaluation. A cursory review suggests that the regional spread of some projects such as Reopa/ Swapno was conceived, among other considerations, in the context of river-erosion environment (as in Kurigram) and salinity-prone environment (as in Satkhira). In general, climate shocks loom large over the functioning of anti-poverty interventions whether they relate to projects impacting rural livelihoods or tenurial security of the urban poorest.

### 2.2.3 Preventing Vulnerability

Preventing descent (or mitigating risks of slippages) into poverty are as important for anti-poverty interventions as the income-generating projects designed to assist the ascent of the poor. In fact, moving in and out of poverty cannot be explained by income growth factors alone; it requires careful mapping of factors that exert downward mobility pressures on the poor (Jalan and Ravallion 1999; Sen 2003; Krishna 2009; Narayan et al. 2009; Osmani 2012). However, factors behind descent are not the mirror images of factors that promote ascent. A key driver behind downward mobility pressures relates to vulnerability to shocks. Five aspects are noteworthy from the view-point of the present evaluation.

First, downward mobility pressures may be experienced by all income groups at some stages of the lifecycle. After all, no one is immune to shocks, not even the very rich. However, the mere fact of its occurrence does not immediately create the condition of vulnerability. The extent of vulnerability depends on the sources and intensity of shocks as well as the crisis coping capability of households involved in the shock events. Typically, the poor and the poorest lack resources and circumstances to address the shock events effectively compared to the non-poor. As a result, not all income or asset groups are found to be equally vulnerable to them.

Second, heterogeneity of shocks is of crucial importance (at least as important as the duration or intensity factor) for designing anti-poverty projects and programmes. This is because shocks, like pathogens, are of different strains or origins and, like diseases, they also demand different takes and solutions (Sen 2003). For instance, shocks can be categorized differently. They can be categorized according to the nature of occurrence (covariate or idiosyncratic shocks), frequency of expected occurrence (anticipated or unanticipated shocks), or intended effects (consumption shocks, income shocks, asset shocks, or even “personal security shocks”).

Third, shocks have remarkable mutation abilities. Like household misfortunes, one episode of ill-luck can bring upon or condition another unlucky event or bad luck, creating a vicious downward spiral. This is known as “multiple and overlapping vulnerabilities” (Sen and Hulme 2006). For instance, an ill-health episode often appears as a discrete shock event (i.e. emerges apparently as an idiosyncratic risk) in life-history analysis. However, there may be systematic patterns in the nature of ill-health episodes of a particular economic class or income group. The empirical evidence suggests that some groups (urban poor, for example) are more prone to problems of environmental health than others. In order to mitigate an ill-health shock the poor are often compelled to borrow on harsh terms in the informal money market or even sell their precious little assets. Dissaving triggers a fresh round of vulnerability down the line, culminating into debt crisis, loss of face, or even hunger.

Fourth, there is a pressing need for a multi-routed plan of action to address “multiple and overlapping vulnerabilities” of the most vulnerable, which is probably beyond the capacity of any single project. As we shall see later, this is true even in case of complex large projects such as CHTDF and UPPR, claiming the lion’s share of resources spent on UNDP anti-poverty interventions. Since ill-health related shocks typically constitute nearly one-third of shock episodes faced by the rural households (Osmani and Sen 2011a) let us consider the strategic issues at stake by analyzing the policy implications of health risks.

To what extent UNDP’s anti-poverty interventions have been able to meet the vulnerability (resilience) component of poverty reduction depend on the ability of the project/programme to coalesce efforts of all stakeholders and routes—public health provider, private health clinics (including traditional providers such as TBA), NGO health campaigner, agencies in charge of health infrastructure, connectivity, credit and social mobilization, including self-care influencing role of media. For example, effective health system with easy access of the poor would be of paramount importance for the successful poverty programmes. In the context of Bangladesh with virtual absence of health insurance in the informal sector, the constitutionally mandated task of providing health care to the poor is mainly the responsibility of the public sector. However, the latter covers only a quarter of major sicknesses experienced by the rural households, the rest being accounted for by the organized as well as unorganized private health providers. For the poor, a bulk of the ill-health episodes go unattended by any of the recognized health actors. Under the circumstances, mitigating health shocks can be assisted by the provision of micro health insurance schemes. Additional considerations may be given to supporting the non-medical costs (transport, food, and other care expenses) via emergency credit and savings facilities. In short, all routes will be important for mitigating health shocks and preventing descent into poverty.

Fifth, for the covariate shocks such as natural disaster and group conflict, the anti-poverty interventions cannot do much through singular initiatives, or by adopting single route. For natural disaster prone areas, a vulnerability reduction plan has to be multi-routed, by definition, involving early warning, prevention, coping and mitigation measures. In some cases, the long-term focus would be on encouraging migration out of the endemically shock-prone areas by fostering portable assets such as human capital; in others, the medium-term focus would be on providing assistance in the very zone of calamities by encouraging off-farm and non-farm diversification strategies. In most cases of ecological vulnerability, some forms of social protection programs would be extended for immediate short-term relief. No single magic solution exists in the case of covariate shocks. The same goes for the example of group conflict; only here the solutions are often more difficult to arrive at due to diverse and conflicting group interests bordering on zero-sum games.[[2]](#footnote-2)

The upshot of the above is to point out that risks-vulnerability of the poor served by the UNDP projects cannot be met through the project route alone. It demands actions on the part of actors that lie largely outside of UNDP’s project collaboration links. Combating vulnerability cycle requires combined interventions both at the level of projects/ programmes as well as pro-poor changes at the level of public service delivery. A macro or sectoral system-approach is needed to supplement a micro project approach to serve the poor better. Multi-rootedness of vulnerability, in turn, requires investing resources in leveraging pro-poor policies at the sectoral or even macro levels.

## 2.3 Leveraging Anti-Poverty Policy

The practice of leveraging anti-poverty policy as applied to particular sector is not a new practice. Development partners tried to influence policies at the macro level by engaging in policy lending as opposed to project lending (Structural Adjustment Loans by IFIs of the 1980s and 1990s are earlier examples of seeking policy leverages). In some cases, the focus of the policy lending was to support capacity development to undertake policy initiatives at the Ministerial, departmental and agency levels. Health Population Sector Planning (HPSP) was an initial example of promoting sector-wide approach as opposed to project approach to health sector. The purpose of the support seeking policy leverages was to improve resource priority, policy coordination and institutional capacity. Typically, a sector-wide approach is complex to administer and anticipates multi-donor engagements. In the earlier decades UNDP was more engaged in project-based approaches nationally. Although globally it was a champion of human development policy (as opposed to focusing restrictively on growth policy alone), nationally it did not seek that role in a pronounced manner. Publication of national human development reports in the 1990s was an example of policy leveraging on the part of UNDP. This, however, was discontinued in the 2000s. Beginning with the Assessment of Development Results 2011 and CPD 2012-16, UNDP revived the earlier tradition of policy engaging through specific initiatives.[[3]](#footnote-3) The lessons learnt from these engagements are important for deciding on the future role of policy support. The present evaluation sheds light on this potentially very important new area for UNDP’s engagement as applied to inclusive growth, poverty eradication and vulnerability reduction.

## 2.4 Empowering the Disadvantaged

Inclusiveness is primarily about not feeling neglected, insulted or humiliated. In short, inclusiveness is about combating powerlessness and feeling adequately empowered. While empowerment is not a new aspect in the development discourse, its relative significance has risen over time due to the global information revolution, international migration, vastly integrative features of the global economy marked by inter-dependencies of nations and cultures. As a result of these global processes, the demand for empowerment has increased at the popular level. Even the poorest of the poor, most vulnerable of the marginalized population groups, and the most powerless want to speak in the language of rights, responding to the politics of self-empowerment and democratic aspirations. Consequently, anti-poverty interventions can no longer afford to ignore the demand for empowerment voiced from below, even if instrumentally, for the sake of smooth functioning of the projects/ programmes and for the basis of sustainable change. Of course, instrumentalist reasons apart, there is substantive reason to opt for empowerment as a development end in itself. Consequently, a UN agency such as UNDP which is championing human development and human freedom over and beyond economic growth and income poverty reduction cannot ignore the intrinsic virtue of the empowerment approach. It is not surprising, therefore, that anti-poverty interventions dealing with the poorest groups, women beneficiaries, ethnic minorities, and local communities typically include a social mobilization component, involve collective actions around service delivery, or inculcate virtues or practices that encourage better intra-community and intra-household voice, status, and mobility of women.

**III. UNDP’s Anti-Poverty Programmes and Projects: An Overview**

Introducing the specifics of UNDP anti-poverty programmes, projects and policies, as attempted in this section, may raise false expectations that we are about to conduct programmatic evaluation and/ or impact evaluation at individual project levels. It must be clarified at the outset, therefore, that we are not aiming here to carry out any assessment of specific poverty projects *per se*. A methodological distinction between outcome and programme evaluation is useful to keep in view. To begin with, the present exercise is an *outcome evaluation*, which differs from a *programme evaluation* in a number of respects. As explored further in the methodology section, an “outcome” is an intended or desired change in development conditions resulting from a wide range of factors, including the activities and programmes of various development agencies, such as UNDP.[[4]](#footnote-4) Specific initiatives, including UNDP’s projects and programmes, contribute in various ways to achieving broader development outcomes and need to be considered within a broad overarching framework or theory of change approach (see section IV).

Our approach to the evaluation is not to take the narrow route of assessing specific projects and programmes. Many of these have already been subjected to “impact evaluation” as part of UNDP’s established monitoring and evaluation processes. Nonetheless, we cannot ignore the development experience of individual projects either. An understanding and appreciation of UNDP’s poverty-related initiatives is a critical aspect of the present evaluation. However, the latter must look beyond projects and examine UNDP’s overall contribution to the process of pro-poor change outlined in the preceding section. After all, even though the whole is technically the sum of its constituent parts, it is more than mere aggregation of the decomposable parts. It is this subtle difference we try to capture in the evaluation report.

To this end, this section provides a brief overview of the nine projects and programmes which have been identified as directly relevant to the mid-term outcome evaluation of CPD Outcome 2.1. As depicted in Table 2 below, some of these initiatives began prior to 2012 and have evolved over time from first generation projects and pilots into second generation projects and programmes. Table 2 also briefly identifies the core focus areas of each of the initiatives.

**Table 2: UNDP poverty reduction projects relevant to CPD Outcome 2.1**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No.** | **UNDP** [**Interventions**](file:///C:\jessieconnell\Downloads\CPD%20Evaluation%20Project%20List%20(2).xlsx#RANGE!A13) | | **National Implementing Partner** | **Focus areas** |
| 1 | **Urban Partnerships for Poverty Reduction (UPPR)**  (Oct 2007 - Dec 2015) | | LGED, RDCD | * *Urban poverty* * *Livelihoods* * *Land security* * *Human development* * *Gender* * *Climate resilience* |
| 2 | **United Nations Joint Programme Violence Against Women (JP-VAW)**  (Dec 2009 – June 2013) | **Accelerating Efforts to Prevent and Respond to Sexual and Gender Based Violence (SGBV)**  (July 2014 - December 2016) | RDCD | * *Gender* * *Vulnerability reduction* * *Empowerment* * *Protection from shocks* |
| 3 | **Rural Employment Opportunities for Public Assets (REOPA)** (Pre-2011) | **Strengthening Women's Ability for Productive New Opportunities (SWAPNO) Project** (July 2014-2019) | LGED, RDCD | * *Gender* * *Rural poverty* * *Livelihoods* * *Empowerment* * *Social Protection* * *Climate resilience* |
| 4 | **Support to Social Protection Reform (National Social Protection Strategy)**  (Sept 2011-July 2012) | **Social Protection Policy Support (SPPS)** (Jan 2014 - Dec 2017) | GED and Cabinet Division of GoB | * *Policy* * *Inclusive pro-poor governance* * *Gender* * *Social protection* * *Climate resilience* |
| 5 | **Support to Monitoring PRS and MDG** (Jan 2012 – June 2013) | **Support to Sustainable and Inclusive Planning Project (SSIP)** (July 2013 - Dec 2016) | GED | * *Policy* * *Inclusive pro-poor governance* |
| 6 | **Strengthening Capacity for Aid Effectiveness (SCAE)** (Sep 2011 - June 2015) | | ERD, Ministry of Finance | * *Policy* |
| 7 | **Community Empowerment Process,** delivered through CHTDF, (Oct 2009 - Jun 2013) | | Ministry of CHT Affairs | * *Empowerment* * *Peace-building* |
| 8 | **Agriculture & Food Security Project (AFSP II),** delivered through CHTDF, (Jul 2013 - Jun 2018) | | Ministry of CHT Affairs | * *Livelihoods* * *Food security* * *Human development* * *Vulnerability reduction* * *Protection from shocks* |
| 9 | **Supporting Local Development,** delivered through CHTDF (Feb 2009 - Dec 2014) | | Ministry of CHT Affairs | * *Inclusive pro-poor governance* * *Empowerment* |

Sections 1 and 2 of this report have already introduced many of the key concepts that will be used to evaluate the suite of poverty-related interventions delivered by UNDP. To conceptualize UNDP’s specific poverty-related projects/programmes further, they can be broadly grouped into two categories: (1) community-based or service delivery programmes with direct beneficiaries, and (2) interventions aimed at strengthening country-wide pro-poor policy, institutional and governance-related change, as depicted in Figure 3. These complementary interventions reflect UNDP’s multi-routed approach to poverty reduction.

**Figure 3: UNDP direct beneficiary interventions and policy-related initiatives**

Direct beneficiary/service delivery

UNDP Inclusive poverty reduction interventions

Projects +Programmes

UPPR

JP-VAW/SGBV

REOPA/SWAPNO

ASPF-II (CHTDF)

Community empowerment (CHTDF)

Projects +Programmes

National Social Protection

Strategy/SPPS

Support to MDG Monitoring/SSIP

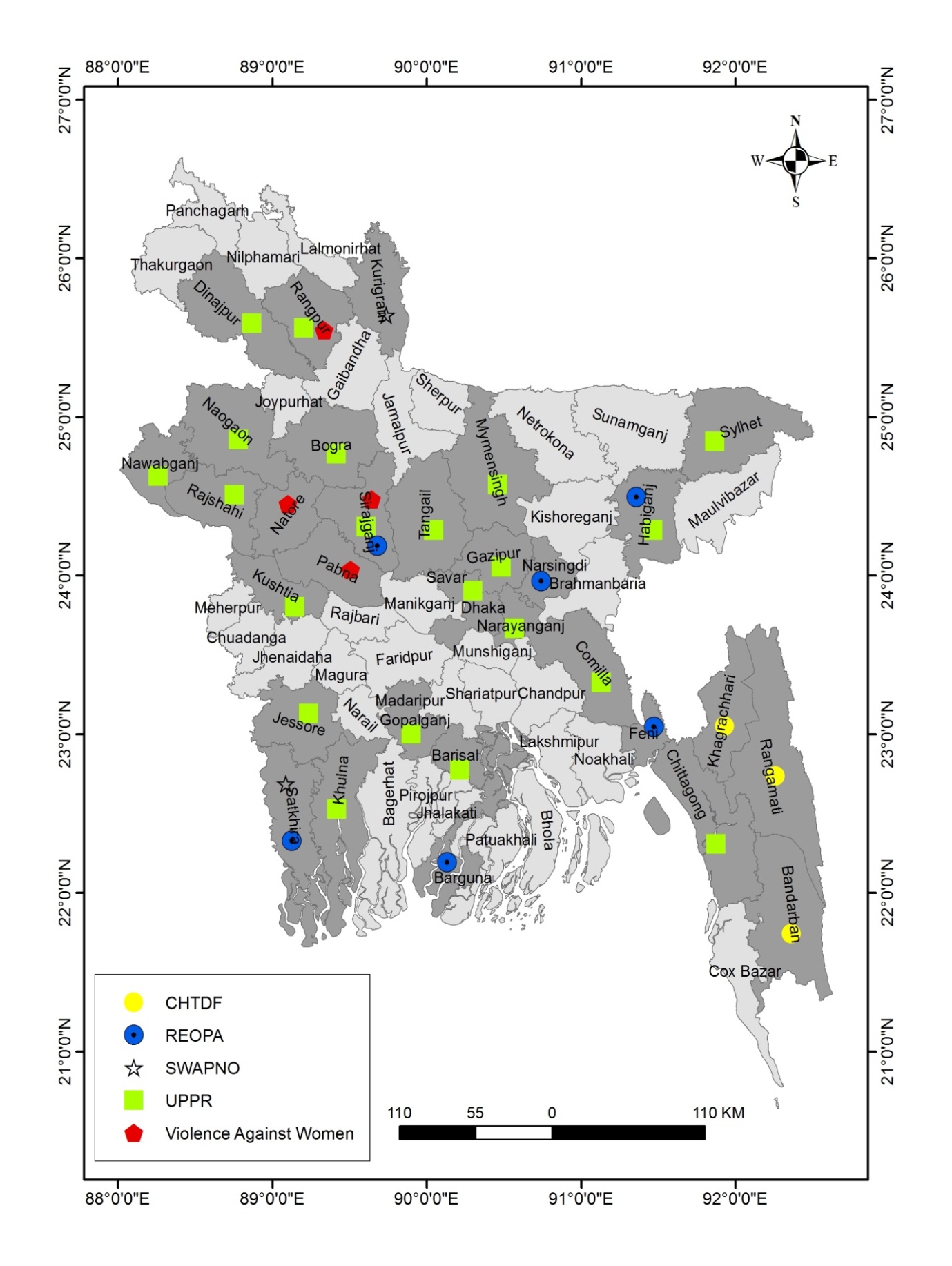
Aid Effectiveness

Local development CHT

Policy and governance

**3.1 Direct Beneficiary/ Service Delivery Programmes**

UNDP’s direct beneficiary initiatives involve multi-dimensional programmes, as well as specific initiatives focused on vulnerability and community empowerment, explained further in the sections that follow. The map below indicates the locations where UNDP’s direct beneficiary/community-based poverty related programmes are operating, indicating wide coverage of different areas, both urban, rural, mountainous and coastal (Figure 4).

**Figure 4: Geographical spread of UNDP’s anti-poverty projects [[5]](#footnote-5)**

**3.1.1 Multi-Dimensional Poverty Reduction Programmes**

UNDP delivers a number of large-scale community-based interventions targeted at both the income and non-income dimensions of extreme poverty in both urban and rural Bangladesh. Among these are UPPR, REOPA/SWAPNO and the ASPF delivered by the UNDP run Chittagong Hill Tracts Development Facility (CHTDF). These initiatives can be considered multi-dimensional in that they have core income-generating and livelihoods components, delivered in combination with other human development initiatives, especially in relation to education and food security. Programmes such as UPPR also have a specific focus on urban settlement upgrading and land tenure, recognizing the importance of land security as a basis for sustainable income generation. Programmes such as SWAPNO and UPPR have also begun incorporating climate resilience dimensions into their poverty programming, and plan to target environmentally at-risk areas.

**Urban Partnerships for Poverty Reduction** (**UPPR)** is UNDP’s flagship poverty reduction programme which began in 2007 with the aim of improving the livelihoods and living conditions of three million urban poor and extreme poor, especially women (UNDP 2011b). Funded by the DFID and UNDP, it is the largest urban poverty reduction initiative in Bangladesh, and one of the largest in the world (UNDP 2011b). UPPR operates in 23 townships and cities and is founded on partnerships forged with local government municipalities.[[6]](#footnote-6) It is focused particularly on assisting women in poverty living in slums or urban settlements through building community development centers (CDCs) which are then linked to NGO service providers. CDCs make decisions about how to use the Socio-Economic Fund, which exists to support people to undertake apprenticeships, set-up their own small businesses through small enterprise grants, establish savings programmes and credit groups. It also provides education grants to selected households with children in school and supports financial literacy training. The Settlement Improvement Fund (SIF) is used to improve living conditions, such as household access to clean water and sanitation through investing in community infrastructure. Land tenure security is a core focus of UPPR. The programme has been working with local government and landowners to enable more secure land tenure arrangements. This involves mapping settlements, categorizing tenure options and in some cases, securing new land in circumstances where a community has been evicted, as was the case in Gopalganj (DFID 2014).

UPPR formally ended in 2015. Its overall budget was USD 120 million and involved the Local Government Engineering Department (LGED) as the national implementing partner, as well as UN Habitat, ILO, UNICEF and CARE.[[7]](#footnote-7) Since the programme began in 2007, it has reportedly assisted more than 3 million people living in poverty. It has also developed a policy and advocacy strategy, which brings together learnings about pro-poor urban development and identifies higher-level policy changes and interventions which would support the next phase of the programme. Currently, plans are underway for a subsequent programme, the **National Urban Poverty Reduction Programme (NUPRP)**, which will also be built on the community led CDC platform.

UNDP’s **Rural Employment Opportunities for Public Assets (REOPA)** project is a long-term social protection intervention, which operated in six districts of Bangladesh until 2011. It has now been replaced by the **Strengthening Women's Ability for Productive New Opportunities (SWAPNO)** Project.[[8]](#footnote-8) REOPA aimed to increase household food security by providing direct wage employment to extremely poor women. It used a “graduation system” whereby eligible, physically able, women in target locations were employed in public assets maintenance (such as roads) for a fixed period at the Union Parishad level.[[9]](#footnote-9) A mandatory savings programme enabled women to save for the start-up costs of small business enterprises and other income generating activities. Women were also connected to service providers through NGOs, which provided livelihoods training, as well as access to sanitation and health services. The total budget for REOPA was €28.522 million for 2007-2011, mostly financed by the European Union. The new project, SWAPNO, currently has funding of approximately USD 4 million for two districts in Bangladesh, but there are plans to reach another 20 districts if funding can be secured.[[10]](#footnote-10) SWAPNO also uses the graduation model, although it provides wage employment for a wider range of community asset activities. Women are also provided with financial and livelihoods training and capacity building, and connected to other initiatives, such domestic and sexual abuse support services, (see JP-VAW/SGBV discussed below). SWAPNO pioneers the adaptive social protection approach, integrating climate change adaptation measures (targeting at-risk areas and groups) with social protection (UNDP 2014).

Multi-dimensional poverty reduction programmes are also supported by UNDP in the post-conflict Chittagong Hill Tracts (CHT) region, through the **Chittagong Hill Tracts Development Facility (CHTDF)** established in 2003. The CHT are located in south east Bangladesh and consist of three districts: Bandarban, Khagrachari and Rangamati. At least eleven ethnic minority and indigenous groups inhabit the region.[[11]](#footnote-11) Each ethnic group has a distinct language, culture and tradition which differ from the Bengali-speaking majority of Bangladesh. Conflicts relating to land, natural resources, ethnicity and cultural identity have characterized the CHT region for many decades. Although the 1997 Peace Accord aimed to settle long-standing disputes, it has not been fully implemented. Unresolved issues surrounding land and regional autonomy in the CHT underpin the causes of extreme poverty, unemployment and inter-ethnic tension in the region. The CHTDF was set up to facilitate implementation of the Peace Accord and to foster sustainable, locally-appropriate socio-economic development. CHTDF is a multi-donor funded programme and is one of UNDP’s largest direct execution interventions in Bangladesh.[[12]](#footnote-12) CHTDF works closely with the Ministry of Chittagong Hill Tracts Affairs (MoCHTA), local organizations and NGOs.

The cornerstone of UNDP’s support to the CHT has been in the **Promotion of Development and Confidence Building in the CHT** programme implemented through the CHTDF. The CHTDF is a platform to deliver a range of initiatives aimed broadly at economic development, peace and confidence building, health, education, gender-related reforms and disaster preparedness. One of the major projects delivered by the CHTDF is the **Agriculture and Food Security Project (AFSP)** which aims to improve the living conditions of poor marginal and small farmer households through enhanced, integrated and sustainable agricultural productivity.[[13]](#footnote-13) It provides an integrated package of technical assistance, training and financial support. Between 2009 and 2013, the project established more than 540 Farmer Field Schools and trained 15,276 farmers in farming methods and techniques of which 47 % were women. Agriculture Development Project grants were also provided to 450 communities in support of small-scale agricultural initiatives (CHTDF (2013: 7). ASPF II aims to continue the work and is funded for 2013-2018. The overall programme budget for CHTDF is USD 160.5 million, of which the European Union is the largest donor providing 50 percent of the budget. UNDP’s commitment is USD 14.3 million. Other donors include DANIDA, CIDA, Norway, Australia, Japan and the United States (Nishan and Barman 2013: 19).

**3.1.2 Vulnerability Reduction Projects**

UNDP has a number of projects focused on reducing the vulnerability of marginalized and at-risk groups. Since 2009, UNDP has been working to reduce violence against women initially through the pilot **Joint Programme Violence against Women (VAW)** which ran until 2013, and now through the **Accelerating Efforts to Prevent and Respond to Sexual and Gender Based Violence Project (SGBV)** which runs from 2014 to 2016. Implemented initially as a Joint UN Programme with the Government of Bangladesh, JP-VAW had three broad channels through which it sought to improve protections: (1) to encourage the adoption of laws and policies which protect people affected by gender-based violence and enhance data collection and information sharing, (2) to change social attitudes and behaviour, including discriminatory practices such as early marriage, dowry and trafficking, and (3) provide better protection to survivors of abuse through comprehensive support packages, including shelter and emergency hotlines (UN and GoB 2009: 3). The overall budget was USD 7,997,378. The programme involved nine UN implementing agencies and 11 national counterparts, making it the largest joint programme implemented to date in Bangladesh (Arbulú and Ali 2013). SGBV builds on JP-VAW, however it involves less implementing partners and is a collaborative partnership between GoB, UNDP, BRAC and the Ministry of Women and Children Affairs (MoWCA) (UNDP 2015: 3). Initiatives such as REOPA/SWAPNO, UPPR and SGBV are complementary. For example, SWAPNO and UPPR are entry points for SGBV to provide information and assisting women facing domestic and sexual violence.

Other vulnerability-reducing efforts include UNDP’s **Community-Based Adaption to Climate Change through Coastal Afforestation** and the **Comprehensive Disaster Management Programme (CDMP-I and CDMP-II)**. Both of these have been evaluated under other UNDP mid-term outcome evaluations, however they are of cross-cutting relevance to Outcome 2.1. The coastal afforestation project is implemented by the Ministry of Forestry and Environment and operates in four coastal districts. It aims to reduce climate change vulnerability through forest and tree planting and livelihood diversification. CDMP is a collaborative initiative of the Bangladesh Ministry of Disaster Management and Relief (MoDMR) and UNDP. CDMP-I ran from 2004-2009 and focused on institutionalising risk reduction frameworks within relevant ministries, and sought to harmonise development assistance across the field of disaster risk reduction. CDMP II expands the interventions from the original 16 districts to cover all 64 districts of Bangladesh.

**3.1.3 Empowerment Projects**

Many of UNDP’s poverty reduction initiatives are built on community mobilisation and empowerment platforms. Especially in the CHT region, which has been marred by conflict for many decades, community empowerment is seen as a pre-condition for creating sustainable livelihoods. Launched in 2004, CHTDF’s Community Empowerment Project (CEP), aims to strengthen the capacity of CHT communities so that they can manage their own affairs, identify local needs and solve small-scale problems. This is promoted primarily through “grass-roots” mobilization of the communities and establishing linkages with government stakeholders, service providers and market actors.

Since its inception, CEP has established a network of 3,257 Para Development Committees (PDCs) to manage and provide funds for small-scale community-led development activities, such as livestock investments, clean water supply initiatives and schools. Gender inclusiveness is mainstreamed throughout CHTDF’s projects, which has seen the formation of Para Nari Development Groups (PNDGs) focusing explicitly on engaging women in development activities. An important aspect of the CEP is the provision of Quick Impact Funds (QIF) grants, made available to implement specific community-led projects in agriculture, horticulture, livestock, fisheries, rice banks, local transport schemes and small-scale entrepreneurship. Since the project began, QIF grants have amounted to over USD 14.09 million. Combined with the other CHTDF grant initiatives, these interventions have been described as the largest “cash transfer” programme to communities in the region in Bangladesh (Nishan and Barman 2013: 1).

The community strengthening and empowerment process achieved through the CEP has laid the foundation for a range of other complementary initiatives, such as the AFSP project targeted at food security in the CHT, discussed above.

UPPR is also founded on a community empowerment process. As explained above, under UPPR, CDCs form the basis of community mobilization in the target areas, through which decisions are made about how to invest in community infrastructure, allocate grants and plan for settlement improvement.

**3.2 Poverty Policy and Governance Projects**

UNDP’s approach emphasizes multiple routes to poverty reduction. Targeted interventions with vulnerable groups are complemented by policy interventions. In combination with community-based/service delivery projects, UNDP has initiated a number of policy and governance level interventions aimed at supporting systemic and structural change within government and sensitizing various ministries to pro-poor planning approaches. A major policy level project is UNDP’s **Support to Social Protection Reform** and **Social Protection Policy Support (SPPS)** which contributed to the development of a National Social Protection Strategy. The Strategy is an ambitious agenda for whole-of-government reform. Based on a life cycle approach to poverty and vulnerability, it proposes a suite of different types of human development programmes, with a focus on early childhood. A core component of the strategy is to provide a functioning and inclusive social security system. The total budget for the project was USD 7 million. UNDP provided technical support to the General Economics Division and Cabinet Division to develop the strategy that was completed in 2013. SPPS will support the next phase of implementation and reform within the ministries.

UNDP has also been working with General Economics Division (GED), within the Ministry of Planning, through the **Support to Monitoring PRS and MDGs project** and now the **Support to Sustainable and Inclusive Planning Project (SSIP)**. The former project assisted the government to align its development priorities with the Millennium Development Goals (MDGs) and to build capacity towards developing poverty reduction strategies. SSIP works within GED to design and implement pro-poor economic policies, strengthen sustainable and inclusive planning, support MDG monitoring and to develop the post-2015 framework. A total budget of USD 4.7 million is committed for 2013-2016.

Other policy and governance level interventions include the **Supporting Local Development in the CHT** project, which began in 2009. It focuses on establishing community-based and participatory planning processes in local government, providing integrated capacity development support to promote “bottom-up” government planning processes. The project also advocates for the implementation of the 1997 Peace Accord and other key CHT issues at a regional and national level. It provides support to three Hill District Councils, three Circle Offices, 25 Upazila and 118 Unions, as well as traditional institutions and civil society groups (CHTDF 2015: 5). Although it has so far achieved limited leverage in relation to the Accord, other project achievements have included the transfer of 69 additional indigenous/tribal police personnel to 27 police stations in the CHT to enhance conflict sensitive policing.[[14]](#footnote-14)

An additional project, **Strengthening Capacity for Aid Effectiveness,** aims to support the Economics Relations Division (ERD) to manage, track and report on the expenditure of foreign aid. The project has already been evaluated by UNDP as part of CPD outcome 1, but it is worth canvassing here as it broadly supports the development of systems which might eventually facilitate greater accountability and capacity to report on expenditure relating to poverty. The project has focused on developing an Aid Information Management System developed in Bangladesh with a local IT software firm. A national Aid Policy is also in the preliminary stages of being developed under the project. The total budget is USD 4,475,000 for 2011-2015.

# IV. The REES Methodology and the Specific Evaluation Questions: A Micro Approach

The present section discusses the salient features of the approach adopted by the present study to evaluation as applied to anti-poverty interventions of UNDP. It is organized into five sub-sections. First, it highlights the key pillars of the evaluation methodology, as typified by the relevance-effectiveness-efficiency-sustainability (REES) approach. Second, it draws attention to some of the relatively unguarded conceptual and methodological issues that need further elaboration in the context of present evaluation. Third, it describes the specific evaluation questions considered under this approach. Fourth, it suggests concrete methods for addressing these evaluation questions in the context of anti-poverty interventions by devising specific analytical approaches, indicators and models. Lastly, it discusses the complexity of interpreting the broad project results in the context of the overarching “transformative” framework of social change.

**4.1 Key Pillars of Evaluation Methodology: The REES Approach**

UNDP’s general approach to project/ programme evaluation rests on four key pillars, namely, relevance, effectiveness, efficiency, and sustainability. Each of these pillars has been viewed from the vantage point of specific evaluation questions as applied to anti-poverty interventions. This has been described by the **Draft Evaluation Matrix** (see, Annex 1). Four points embedded in the evaluation matrix are noteworthy. First, the complexity of the evaluation issues involved can hardly be over-emphasized. Even at the level of a single project or programme[[15]](#footnote-15), the evaluation framework based on the relevance-effectiveness-efficiency-sustainability (REES) criteria can be quite demanding both in terms of complex evaluation questions (and sub-questions) raised and in terms of evaluation methods to be deployed (not to mention the complex data requirements that go with the choice of evaluation methods). Thus, a REES approach, in effect, demands quite a comprehensive strategy for evaluation that transcends routine “project evaluation”. The latter mainly focuses on the economic returns to project interventions while the REES dictates interrogation on aspects of sustainability.

Second, the complexity of evaluation is doubly magnified since the REES framework is supposed to be applied to the *level of development outcome* (in this case captured by CPD Outcome 2.1) referring to “inclusive economic growth, opportunities for rural and urban poor and protection against shocks”. How does one moves from project to outcome level evaluations? What *weights are to be given to assessment of individual projects* that are included in the present list of evaluation in conducting overall outcome evaluation? One cannot try to evade this question by citing that we are, after all, not dealing with individual development projects here. Such a stance hardly provides a methodological escape route since material basis for development outcome evaluation such as CPD Outcome 2.1 is rooted in the experience of its individual project components. Then, again, how does one even *aggregate the results for the main four pillars into one overarching metric* of success or failure? This is especially troubling when an anti-poverty intervention may (theoretically) get positive rating in one aspect of REES while scoring negative rating on another. Applying REES criteria to an individual development project or programme is in itself an empirically difficult task; applying such criteria to a development outcome makes it even more challenging.

Third, fortunately, application of the REES approach is facilitated by the adoption of additional criterion where methodological primacy has been given to the “effectiveness” dimension vis-à-vis other dimensions. Thus, it is specifically stressed that “the questions on effectiveness should be given most importance and will be weighted more than other criteria in this evaluation”. This is a helpful methodological stance—call it *methodological utilitarianism*--that simplifies the earlier foundational claims of the REES approach. Nonetheless, such simplification allows us to concentrate on the most important aspect of evaluation, i.e. results on the ground that “demonstrate how UNDP initiatives have or have not contributed to the achievement of the outcome” (see, Annex 1). However, there are other problems in operationalizing the REES approach, which are of worthy of note, as captured briefly in the next sub-section.

**4.2 Implementing the REES Methodology: Some Conceptual and Methodological Issues**

Three issues are highlighted here. The first question relates to the “treatment of parts in relation to the whole”, namely, how we go about treating the individual programme effects in illustrating their contribution to overall development results (under the CPD development outcome 2.1)? As indicated at the outset of section 3, although main building blocks of evaluation must draw upon empirical evidence relating to these programmes, we are not evaluating these programmes individually. Rather, we use the findings relating to these individual programmes selectively (and opportunistically) to assess their contribution to achieving Outcome 2.1 analyzed through the lens of RRES criteria. How are we going to accomplish that in our report? An example of the efficiency dimension of REES approach would be in order here. We are not able to apply this criterion in case of all the 9 programmes included in the evaluation list. This is because some of these programmes have more easily quantifiable outcomes than others. In such cases, we will use the programmes such as UPPR or CHTDF or Swapno/ Reopa to illustrate the efficiency of the poverty programmes. The experience of the previous Assessment of Development Results (ADR) suggests that not all the individual programmes are capable of empirically demonstrating REES criteria equally well (UNDP 2011). Consequently, we expect that while the relevance criterion REES would be discussed for all 9 programmes, the effectiveness criterion are best suited for programmes having well-defined (in quantitative or qualitative terms) programme results. The efficiency and sustainability criteria is not applicable for all individual programmes.

Second, in treating the efficiency criterion, the problem is that not all programmes have well-defined “benefit”, thus making standard cost-benefit analysis a difficult proposition. In such situation we have to judge efficiency based on cost consideration alone. Here the added problem is that we do not readily have internationally accepted norm for the unit cost as applied to similar poverty programmes. Against the backdrop of these considerations, we include issues such as *corruption and transparency as an indirect guide* to efficiency.

Third, the sustainability criterion itself is susceptible to several contesting interpretations, ranging from sustainability of impact, sustainability of specific organizational intervention, to people’s own initiative to sustain the “good results” after the life-time of project. We are open to all kinds of interpretations while analyzing the sustainability aspect of Outcome 2.1. Admittedly, the adoption of a variable approach at the project/ programme level, such as the one outlined above, is not guided by theoretical considerations; it is motivated by practical judgments alone. This is holds true even more forcefully in case of operationalizing specific evaluation questions that are framed under the REES approach.

**4.3 Specific Evaluation Questions under the REES Approach**

The REES provides a four-dimensional space for outcome evaluation. However, to use the analogy from astrophysics, this space is not a void space: it is informed by a theoretical field, in turn, valorized by specific evaluation questions, with implications for methods of inquiry. For each dimension of REES, evaluation questions have been formulated by UNDP that are to be tested by analytics and evidence. Given the centrality of the effectiveness dimension within the rubric of REES approach, we pay greater attention to this aspect of evaluation.

Thus, for the dimension of effectiveness, the specific evaluation questions demand that we pay attention to four aspects: (a) whether inclusiveness of economic growth has increased compared to the baseline circumstances; (b) whether economic opportunities have increased for the rural as well as urban poor during the same frame of reference; (c) whether vulnerable groups are better protected against shocks; and (d) whether UNDP interventions made any difference in attaining these development objectives. All four questions are integral part of current assessment: the first three aspects also serve as *yardsticks* for measuring effectiveness, while the last one involves *attribution* challenge common to any rigorous programme evaluation.

Even though the yardsticks for judging effectiveness are clearly spelt out in Annex 1, it does not immediately resolve the methodological ambiguities associated with varying use of the concepts inclusiveness (the dilemma of choosing between outcomes and opportunities, or between inequality and poverty), economic opportunities (with rich choice range involving livelihood, human development, market access, connectivity, economic empowerment, and “procedural opportunity”) and vulnerability (choosing among different types of shock-preventions such as covariate natural disaster or climate change shocks, idiosyncratic health and personal insecurity shocks, or distinguishing among consumption, income or asset shocks). In section 2 of the present report, we discussed the relevance of drawing these distinctions for understanding poverty dynamics. Here we again draw attention to the foundational importance of recognizing many theoretical layers of understanding of the three core concepts—inclusiveness, opportunity, and vulnerability—for evaluating success or failure of development outcomes.

Consequently, the challenge for the present evaluation emerges at two levels. At the methodological level, we have to remove the conceptual ambiguities associated with the often unguarded use of the core concepts that figure among the specific evaluation questions pertaining to CPD Outcome 2.1. At the empirical level, we have to find suitable indicators that would stand firm or prove robust against such conceptual ambiguities. This also dictates the choice of methods, or determine a particular method-mix, as discussed below.

**4.4 Addressing the Evaluation Questions: Choice of Methods and Empirical Indicators**

In this sub-section, we first explain the choice of evaluation methods and then proceed to discuss the choice of indicators to be captured by these methods. Framing of the specific evaluation questions has several clues that have far-reaching implications for the choice of concrete method-mix to be adopted for the present evaluation.

The first notable “statistical” feature embedded in the specific evaluation questions relating to effectiveness is the strong emphasis on the *“before-after” comparisons* between pre-intervention and post-intervention states. Progress on inclusiveness, economic opportunity, and vulnerability—in all three vital dimensions of human well-being—is measured against a benchmark (2011 or a date close to it—according to the “evaluation matrix”) that captures the “initial condition” prevailing at the start of the project intervention.

The second notable feature of the specific evaluation questions relates to the *social benchmarking* of the progress i.e. identifying the so-called “control groups” for assessing intervention results. Even if the before-after comparison indicates progress on the above three core dimensions of well-being, one needs to see oneself in the image of the other. The argument runs as follows. In a rising tide of economic growth—as has been the case in Bangladesh for the last decade--everyone may have progressed on the well-being ladder to some extent, sooner or later. The central task of the evaluation is to locate the group which has progressed more than others. In short, one needs to measure one’s progress against the success (or failure) of the other: for evaluation to stand the test of the empirics, the project beneficiaries must be compared to their non-project counterparts.

This raises the immediate question—can the “before-after” comparison be carried out with statistical validity without at the same conducting the “with-without” comparison? If the former pair of comparison implies the existence of pre-intervention (baseline) and post-intervention (end-line) data on project beneficiaries, the latter pair of comparison is premised on the availability of longitudinal data on the programme participants (i.e. programme households or communities denoted as the “treatment group”) and non-participants (i.e. households or communities denoted as the “control group”). Ideally, we would respond to this dilemma by adopting a so-called difference-in-difference or “double-difference” (DD) method (for the classic exposition of evaluation methods as applied to poverty programmes, see Ravallion 2003). In cases, however, where benchmark is missing for the control group, we use the single period difference between participants and non-participants preferably using Propensity Score Method (in cases where we have unit-record data) or simply fall back on the “unmatched” treatment-control group comparisons (see, Annex 2 on the preferred quantitative method to be considered in the present evaluation).

The third notable feature of the specific evaluation questions relates to the issue of demarcating the most deserving groups within the programme beneficiaries. The poor and the vulnerable groups are not homogenous communities. Considerable differentiation exists within these communities in terms of intensity of poverty and degree of vulnerability to shocks and powerlessness. Accordingly, the present evaluation remains sensitive to issues of “vertical inequalities” between the poor and the poorest as well as issues of “horizontal inequalities” between the socially more and socially less marginalized groups even when they reside on the same income scale. To what extent the poorest and the most vulnerable groups receive priority attention—consistent with the Maximin Principle—is a central criterion for any programme or outcome based evaluation relating to anti-poverty interventions (Rawls 1971; Begum and Sen 2010). This methodological consideration figures prominently in our quantitative and/or qualitative assessments for all four aspects of the REES methodology as applied to CPD Outcome 2.1.

To sum up the preceding discussion, we have touched upon some of the key issues pertaining to REES methodology at the outcome level, pinpointed dilemmas of conducting statistically valid comparisons at the programme level, and building on that, suggest empirically testable ways to address the specific evaluation questions selected for the present evaluation. As can be seen in Table 3, this is not an easy task even for the more empirically tractable evaluation questions focused on the effectiveness dimension. The problem is that the routine CPD indicators corresponding to the specific evaluation questions singled out for the effectiveness dimension may seem more suitable for the macro aggregate level comparisons. Thus, indicators such as “percentage increase of women with employment”, share of “households with increased incomes”, urban extreme poverty headcount, “percentage of poorest quintile in national consumption” appears more relevant as *country level* indicators. The other indicators are also not without their intrinsic weaknesses: while they are measurable they remain uninformative about the anti-poverty impact of the UNDP interventions. The latter group of indicators relates to the share of “households with access to safety net programmes”, “share of female-headed households among the beneficiaries of safety net programmes” and the like. Greater participation in safety net programmes, for instance, can be an expression of aggravating distress rather than an indicator of upward mobility along the poverty ladder. In conducting this evaluation exercise we come up with suggestions on benchmarking and developing some alternative indicators for the future evaluation matrix at the project/ programme level, having implications for the outcome evaluation as well.[[16]](#footnote-16)

Admittedly, not all the anti-poverty interventions can be subjected to similar treatment of method-mix and empirical analysis. Some programmes have easily quantifiable results, others have more subtle impacts. A convenient way-out in such cases uses the different programmes and initiatives as examples and evidence of broader trends throughout the report, rather than comprehensively evaluating each programme separately. The other aspect is to consider the long-term effects of the anti-poverty interventions, which require that we anticipate the pro-poor changes beyond the life of the project.

**Table 3: Indicators for Assessing “Effectiveness” for Quantitative and Qualitative Evaluation**

|  |  |  |
| --- | --- | --- |
| Effectiveness questions | CPD indicators | Quantitative and qualitative indicators pertaining to: |
| Inclusiveness:  “Compared to 2011, is economic growth now more inclusive?” | * Percentage increase in employment (Baseline: 2010: N/A; Target: 2016: base +10%) * Percentage increase of women in employment. * Number of households benefiting from United Nations social safety net programmes (Baseline: 2010: 24,000; Target: 2015: >100,000). * Female-headed households as percentage of United Nations social safety net programme beneficiaries (Baseline: 2010: N/A; Target: 2016: >50%). * Percentage of urban households in UNDP project areas with improved security of tenure (Baseline: 2009: 50%; Target: 2016: 75%). * Number of households with increased incomes in project-based areas (Baseline: 2011: N/A; Target: 2016: 50,000). * Percentage of poorest quintile in national consumption * Rate of extreme poverty headcount in urban areas (CBN – Cost of basic needs). | Indicators of objective and subjective poverty and well-being improvements compared to the benchmark situation would be culled from primary and secondary published and unpublished (unit-record) data. The examples include the following candidates: level of household income and poverty; household income growth and change in poverty; change in current consumption and assets; change in employment, especially female employment; change in MPI; change in food-adequacy and improved dietary practices; level and change in maternal and child under-nutrition; primary and secondary enrollment and completion rates for Boys and girls; perception indicators about female autonomy, extra-household and intra-household empowerment;  [*Note: In cases where control households are missing, compare with national rural/ urban averages for the moderate and extreme poor*] |
| Economic Opportunities:  “Compared to 2011, do rural and urban poor now have more economic opportunities?” | * Percentage increase in employment (Baseline: 2010: N/A; Target: 2016: base +10%) * Percentage increase of women in employment * Percentage of urban households in UNDP project areas with improved security of tenure (Baseline: 2009: 50%; Target: 2016: 75%). | Command over livelihood assets; Access to education at the household level; Proportion of household members in earning activities; Structure of employment; Occupational mobility; |
| Vulnerability:  “Compared to 2011, are vulnerable groups now better protected against shocks?” | * Number of households benefiting from United Nations social safety net programmes (Baseline: 2010: 24,000; Target: 2015: >100,000). * Female-headed households as percentage of United Nations social safety net programme beneficiaries (Baseline: 2010: N/A; Target: 2016: >50%). * Percentage of urban households in UNDP project areas with improved security of tenure (Baseline: 2009: 50%; Target: 2016: 75%). | Categorical variable about vulnerability (e.g. high, medium or low risk);  Accumulation of assets (land and others) and financial savings for evading “negative coping” methods; Reduced consumption shocks |
| * To what extent are these changes due to UNDP's interventions?\* | * Number of households with increased incomes in project-based areas (Baseline: 2011: N/A; Target: 2016: 50,000). | Attribution requires project-control approach, ideally in the “double-difference” data setting |

**V. UNDP’s Contribution to CPD Outcome 2.1: Main Evaluation Findings**

This section analyses UNDP’s contribution towards Outcome 2.1, recognizing that this contribution comprises not only the activities of the Poverty Cluster and CHTDF, but also those of other clusters within UNDP and have been influenced by forces outside of UNDP. The section is structured around the four main pillars of the evaluation, pertaining to relevance, effectiveness, efficiency and sustainability. However, as discussed in the methodology section (see, Section 4) earlier, the focus of the present evaluation is on the “effectiveness” aspect. The specific evaluation questions are addressed within these sub-sections.

**5.1 Assessing Relevance of CPD Outcome 2.1**

Assessing the relevance of UNDP’s contribution involves considering how well its key poverty and vulnerability reduction programs *align* with the components of CPD 2.1. This process aims to ascertain how directly linked the activities are to the goals of supporting inclusive growth, creating opportunities for the rural and urban poor, and protecting vulnerable groups from shocks. This assessment also needs to consider the *appropriateness* of how the initiatives have been implemented in their local contexts, the modalities used and other strategic considerations relating to UNDP’s mandate, spheres of influence and expertise.

Given the current context in which UNDP is transitioning from working towards MDGs to SDGs, consideration also needs to be given to the degree to which the initiatives may *continue to be relevant* in the Post-2015 development agenda. This requires giving particular attention to whether the initiatives are supportive of *sustainable* (in the sense of socially sensitive and environmentally sensitive growth), whether they are *participatory* in nature (expanding the sphere of people’s participation in governance at different levels), and also the extent to which they are aligned with the goals of *reducing inequality*.[[17]](#footnote-17) Sensitivity to environment, governance and inequality are the central aspects of the new policy focus of SDGs.

The table below indicates the types of questions that were explored during the evaluation in interviews with key stakeholders relating to relevance. General questions about community-level needs, challenges and experiences with the programmes were asked in informal focus groups with beneficiaries, as a more subtle way of exploring relevance and appropriateness concerns.[[18]](#footnote-18)

**Box 1: Relevance**

|  |
| --- |
| **Evaluation question:** To what extent are UNDP's key poverty programmes and projects ***relevant*** to achieving inclusive growth, opportunities for rural and urban poor and protection against shocks? |
| **Examples of interview questions** |
| * Do UNDP’s programmes align with the needs of the target communities? In what ways could this alignment be improved? * Are people experiencing extreme poverty being considered adequately in UNDP’s programming? * How do the programs align with GoB’s, other development partners and NGOs’ approaches to poverty reduction? * To what extent is UNDP’s method of delivery appropriate to the local context of beneficiaries? * To what extent is UNDP’s engagement based on strategic considerations/UNDP’s strengths? |

Interview participants were not necessarily asked all of these questions, and they were also not always in a position to answer them definitively, however there were a number of important insights shared. Programme documentation, especially previous programme evaluations, were also used as evidence to assess the relevance and appropriateness of UNDP’s interventions. First this section explores general, overarching considerations before turning to more specific programme level insights.

**5.1.1 Overarching insights on relevance**

Overall, the evaluation team broadly considers UNDP’s initiatives since 2011 to be highly relevant to meeting CPD Outcome 2.1. As discussed in Section 2, the multi-pronged strategy of UNDP attempting to reduce poverty from multiple angles is consistent with the state-of-the craft knowledge and best practices about poverty reduction defined multi-dimensionally and, for the most part, is aligned with the GoB’s priorities, as expressed in Sixth Five Year Plan and Background Studies for the Seventh Five Year Plan.

Larger, well-established programmes, such as UPPR, CHTDF and REOPA/SWAPNO are squarely directed at inclusiveness by explicitly targeting and extending economic opportunities to different types of groups experiencing marginalisation. Collectively, these programmes are geographically varied, encompassing people in urban, rural, coastal and mountainous locations. These community-based programs are also supported at higher policy levels by UNDP initiatives, such as SSIP, designed to support capacity with the GoB to undertake pro-poor planning. Other overarching policy and governance projects, such as SPPS, have supported the development of a National Social Protection Strategy, which when implemented, will include a range of safety nets for vulnerable groups who may not be reached by other income-generating programmes. These are all efforts that support the core components of inclusive poverty reduction in different ways.[[19]](#footnote-19)

**5.1.2 Relevance and appropriateness of the CHTDF**

An important aspect of UNDP’s contribution to Outcome 2.1 is its work in the post-conflict CHT region through the CHTDF. As described in Section 3, the CHT is a highly diverse region shaped by inter-ethnic conflict and unresolved land disputes. It is home to many of Bangladesh’s most marginalized and poorest population groups. Interviews with stakeholders confirmed that the CHTDF continues to fulfil a critical role in the CHT, which is still experiencing high levels of conflict. As the most recent evaluation of the CHTDF stated that:

“A little less than two decades since the signing of the CHT Accord, the region continues to remain in chronic instability with regular communal flare-ups and violent clashes…"[[20]](#footnote-20)

Established in 2003, CHTDF was set up to facilitate implementation of the 1997 Peace Accord and to foster sustainable, locally-appropriate development. The CHTDF has been working in a range of areas to strengthen health and education services, agriculture, food security and local governance structures underpinned by a community empowerment and confidence-building approach. It is one of UNDP’s largest direct execution interventions in Bangladesh.

The development initiatives implemented through the CHTDF are clearly broadly aligned with the goals of inclusive economic growth and improving the resilience of marginalized groups to protect them against financial and environmental shocks. The interventions explicitly aim to empower communities that have previously experienced discrimination, dispossession and ethnic violence. The CHTDF has been able to do this work as a result of a long-standing relationship of trust both with local communities and the GoB.

The role of the CHTDF in the CHT region as a peaceful intermediary and advocate for the implementation of the Peace Accord was widely appreciated in the interviews with stakeholders and reflected in numerous past evaluations of the CHTDF. At the same time, there are clearly numerous challenges and complex institutional arrangements in place in the CHT, especially relating to coordination between Intra and Inter-UN Agencies, GoB, Local Government Institutions, including Hill District Councils. Through the CHTDF, UNDP has been directly responsible for managing the program under UNDP’s Direct Execution/Direct Implementation procedures.[[21]](#footnote-21) However there are currently plans underway to transfer responsibility to the modality of national executed (NEX) project. This would have been a routine change in normal circumstances. However, the social and political climate in CHT areas remains fragile and volatile marked by rather low social capital across ethnicities. There are also plans underway for joint programming between the CHTDF, FAO and UNICEF and other UN Agencies. In the interviews, stakeholders considered these changes to be necessary although it was widely acknowledged that these transitions have and will continue to be challenging. Over the past few years CHTDF has been involved in transferring responsibility for implementation and management of activities to Hill District Councils. The importance of the CHTDF gradually transferring responsibilities, but still maintaining a support, technical assistance and donor coordination role was particularly emphasized throughout the evaluation.

**5.1.3 Relevance of the UPPR Project**

Bangladesh’s futures are inextricably linked with urban futures. As may be seen from Figure 2 (see Section 1), Bangladesh’s rapid poverty reduction was aided by an even more accelerated reduction in urban areas. This is remarkable given the fast pace of urbanization witnessed in the past decade. Analysis of poverty trends suggests that the poverty reduction prospects become brighter as population relocates from rural to urban areas. However, the advantage of faster poverty reduction rate that comes with rapid urbanization is not without additional challenges on other fronts. The country is already experiencing one of the fastest rates of urbanization in the world, putting considerable pressure on urban service delivery. Currently, about 35% of the national population live in urban areas, of which 40% reside in Dhaka city alone. At the current pace, the urban population will reach 40-45% of national population by 2025 and over 50% in 2030, the final year of SDG attainment. While the urban growth has been largely pro-poor in nature, the rapid pace of urbanization and disproportionate concentration of urban poor in mega-cities pose three kinds of challenges. The first one is to meet the human development and other service delivery needs of the urban poor, especially those living in slums and low income settlements. The second challenge relates to the issue of “decentralizing urbanization”, which is needed in the future in order to prevent excessive concentration in mega-cities. The third challenge pertains to the mitigation of climate sensitive adverse effects on rural population located in environmentally fragile setting, which demands a more sustainable route for rural-urban migration and urbanization.

In the above context, the relevance of UPPR project designed to help the mobility of the urban poor and the poorest can hardly be overemphasized. The high relevance of this project can be seen in tacking all three of the previously mentioned challenges of sustainable urbanization. First, it aims to make urban growth more inclusive, in the sense of being sensitive to the agenda of “pro-poorest” growth. Second, it helps to build long-term mobility potentials of the urban poor and the poorest by developing their *capital base* as well as *institutional capacities* through the economic empowerment of community based organizations (CBOs) of the urban poor. Third, it caters to the needs of the urban poor living outside of Dhaka city by focusing on the secondary towns. As a result, the UPPR project has been promoting *decentralized urbanization* on the one hand and a more sustainable coping mechanisms for the environmentally dislocated rural poor, who may be heading towards smaller towns for reasons of lower living costs, on the other.

Women beneficiaries have been socially active in the UPPR project. This was observed earlier in ADR (2011) but has been further reinforced by our field visits and KI interviews. A major targeting focus of UPPR is women, thus UPPR serves not only the urban poor judged by the income criteria but also female marginalized groups judged by the social criteria. To what extent UPPR has actually been able to attain these objectives is a question that would be addressed once we examine the effectiveness of the project.

**5.1.4 Relevance of the REOPA/SWAPNO Project**

One of the key problems characterizing existing national social protection programs lies in the overall “tokenism” defined as minuscule transfer to the social protection beneficiaries (Sen 2014). Current monthly allocation of social protection programmes or beneficiaries ranges from 300 – 500 taka (4-6 US dollar) which is equivalent to meagre 1 to 1.5 day of agricultural daily wages![[22]](#footnote-22) With such a modest transfer of resources via social protection programs, the rural or urban poor cannot meaningfully aspire to transcend the barrier of extreme poverty. Consequently, a “mini big push” is needed to jumpstart the graduation process from extreme poverty. This is the key motivating idea behind undertaking the original REOPA project, currently refashioned as SWAPNO project.

REOPA originally operated in six districts of Bangladesh in both parts of the East-West Divide, while SWAPNO is being piloted currently in only two districts located in the Western parts of the country. The selection of pilot districts is motivated by considerations of adverse river erosion (Kurigram) and long-term climate change effects (Satkhira). The difference between REOPA and SWAPNO lies in further strengthening the training (skill formation) component and better strategy of utilizing capital formation/savings of the women beneficiaries.

It has been estimated by the evaluation mission that roughly an injection of $500 spent over a period of 18 month cycle with proper training and savings mobilization can lift a rural extreme poor household out of severe poverty (see also, Sen and Ali 2015). This is where the experience of REOPA/SWAPNO becomes a highly relevant point of departure for imagining a successful rural poverty eradication programme. This is also consistent with goal #1 of SDG highlighting “zero poverty”. The other important feature of REOPA/SWAPNO has been its explicit gender focus. The project specifically targets the female workers who are destitute, abandoned and female-headed, thus satisfying one of the most important targeting criteria for anti-poverty programmes.

**5.1.5 Relevance of VAW-SGBV Project**

Other projects, such as JP-VAW which is the precursor to the SGBV project, are also directly relevant to UNDP’s poverty-reduction agenda, as they seek to address the underlying barriers preventing women’s economic and social inclusion. Gender-based violence is a primary cause of disability and death amongst women aged between 16 and 44 years in Bangladesh.[[23]](#footnote-23) Domestic abuse goes largely unreported and uninvestigated, with surveys suggesting 50 to 70% of women experience some type of sexual abuse or physical violence during their life-time.[[24]](#footnote-24) Early marriage practices, discriminatory attitudes and weak legal and institutional protections compound the inequality and marginalization experienced by women and hinder their capacity to contribute as leaders, entrepreneurs and employees. JP-VAW and now SGBV aim to change social behaviours in the community and among police and government, as well as advocate for the adoption of laws which better protect women and others exposed to abuse. The initiatives are creative and different to traditional income-poverty programmes, in that they aim influence some of the key social determinants of women’s economic participation.

**5.1.6 Relevance of the SPPS Project**

There are over 100 social protection programs spread over 20 ministries in Bangladesh. These social protection programmes constitute an annual resource injection equivalent to roughly 2.2% of GDP (Sen and Ali 2015). Some of these programmes are in the nature of income transfer, some in vulnerability protection, some in the nature of workfare programmes, some are specifically targeted to marginalized social groups such as old age, pensioners, widows and street children etc. Because of the extreme heterogeneity of these programmes operated under different ministries, they often lack coordination, suffers from redundancy and lack effectiveness in the use of resources. More importantly, these programs do not address diverse range of vulnerabilities that inflict the poor and the marginalized at various stages of their life-cycles – in short a systematic approach to vulnerability reduction is currently missing in the design of public social protection programs. To this one can add the familiar problems of leakage, non-targeting and low-impact. The SPPS project acquires particular relevance in this context because it leveraged a radical change in the policy mindset on the role of social protection programs in Bangladesh. Changing policy mindsets through active policy engagement and advocacy is a relatively new area for UNDP. SPPS attempted to achieve these objectives through three major avenues – a) it highlighted the life-cycle risk as an important part of vulnerability reduction strategy, b) it drew attention to the crucial importance of bottom-up approach, that is serving the poorest first before serving deserving others, and c) it helped indirectly promote greater resource transparency and fiscal realism by curtailing the number of social protection programmes into meaningful broad head of social safety net categories, and thus helping the government to enhance the reach and effectiveness of these programmes.

**5.1.7 Relevance of SSIP and SCAE Projects**

Both SSIP and SCAE are clear examples of pro-poor capacity building projects at the macro policy level. Through these projects, UNDP strives to leverage higher level of policy engagements beyond sectoral projects, thus imparting a holistic framework to its overall approach to anti-poverty interventions. The SSIP project is important from the perspective of strengthening planning mechanism of the central government. It aims to foster critical policy formulation capacities at the level of Planning and Finance divisions, support macro and sectoral policy coordination, create more conducive institutional climate for more informed and coherent decision making, and promote more active use of analytical tools needed for the medium-term macroeconomic planning. Given the gradual erosion of planning capacity in the recent decades, the role of SSIP can hardly be overemphasized. Similarly, the initiative to enhance aid effectiveness, developed by the SCAE project can play an important role in the overall aid governance. The latter would have significant positive externalities for non-aided projects as well.

**5.2 Assessing Effectiveness of CPD Outcome 2.1**

While the previous section considered the appropriateness and relevance of how interventions are framed, targeted and designed, this section concentrates on the effectiveness of these interventions. There is a degree of overlap between these two assessments, however effectiveness is more concentrated on demonstrating impact. The key question here is how well do the projects and programs meet their desired aims? The specific evaluation questions relating to effectiveness are set out in the table below, with examples of the types of questions that were asked in the interviews.

**Box 2: Effectiveness**

|  |  |
| --- | --- |
| **Evaluation question:** How ***effective*** have UNDP’s interventions be in the area of pro-poor economic growth? | |
| **Sub question/s** | * Compared to 2011, is economic growth now more inclusive? * Compared to 2011, do rural and urban poor now have more economic opportunities? * Compared to 2011, are vulnerable groups now better protected against shocks? * To what extent are these changes due to UNDP's interventions? |
| **Examples of interview questions** | |
| * What are the strengths and weaknesses of UNDP’s poverty related program/s? * In what ways do the programs reach urban and rural poor, and protect vulnerable groups from shocks? * To your knowledge, have the programs had different impacts on intended beneficiaries?   + E.g. have employment opportunities/incomes varied in rural/urban areas? Or by gender/ethnicity? * Were any innovative practices developed or fostered throughout the program/s? * How effectively have the key stakeholders worked together/coordinated to design and deliver the program/s? (Donors, ministries, NGOs, other)? * Have you encountered any challenges in working with UNDP?   + How can these challenges be overcome? * Have there been any unintended impacts of UNDP’s programs that you know of (positive/negative)?   + Is there any aspect of the program/s that could have been designed differently? * How have the programs promoted gender equality? (e.g. Based on a gender analysis? Gender strategies?) * Are there any other external factors that have impacted on the program’s success?   + How did UNDP respond and adjust to these external factors? * How have other partners, government/organizations contributed to inclusive poverty reduction? | |

Evaluating the “effectiveness” module has been the key focus in the present evaluation. It is by choice, as it is arguably the most important aspect of any outcome evaluation. The choice is also conditioned by the availability of diverse sets of data and indicators that can shed light on qualitative and quantitative aspects of evaluation. As outlined in Table 3, evaluation of “effectiveness” UNDP’s anti-poverty interventions is analyzed through the prism of three dimensions, i.e. inclusiveness, opportunities and vulnerability. Since CHTDF and UPPR programmes constitute over 70% UNDP’s resources for anti-poverty interventions, we discuss CHTDF and UPPR in separate sub-sections 5.2.1 and 5.2.2, respectively. The experience of all other programmes are discussed in sub-section 5.2.3. The narrative strategy has been to capture first the hard facts and findings regarding the above three dimensions. After giving due attention to the quantitative aspects of evaluation, we turned to qualitative findings for further triangulation and richer description of the process of mobility amidst poverty that is typically missed out in quantitative probing. These qualitative findings have been culled opportunistically and selectively from the field-visits to the programme areas, especially the range of Key Informant interviews undertaken by the Evaluation Mission. This has been supplemented, where applicable, by drawing insights from the deconstructive readings of the secondary project literature.

A final point on the comparisons between treatment and control groups. While making assessment of the effectiveness dimension, we are compelled to make due diligence treatment-control comparisons for the sake of robustness check. However, the specificity of the CPD period under consideration (i.e. 2011-2016) also needs to be kept in view. The period between the baseline and end-line surveys maps neatly changes in the rural as well as urban areas experienced during the first half of the 2010s. This is the period when national income growth accelerated from an annual average of 5.5% in the second half of the 2000s to about 6.5% in the first half of the 2010s. This is also the period when the country reached most MDGs and also entered into the league of Lower Middle Income. The country is characterized by one of lowest year-to-year fluctuation (growth volatilities) in income growth. As a result, macroeconomic income shocks are much less common now compared to the situation prevailing even a decade ago. Such persistent and cumulative leap in income growth and social MDGs was made possible by the fast growth of urbanization, export-led industrialization and international migration. The moot point is that the rising tide tended to lift almost all boats, large and small, touching the economic lives of both treatment and control groups. We should, therefore, expect significant improvements in both cases, but more improvements at the margin in case of treatment groups. This particularly concerns indicators pertaining to basic education, health, water, sanitation, and connectivity. The upshot of the findings that are presented below is that while both treatment and control groups progressed, the pace of progress was higher in case of the treatment group. This incremental edge must have been the contribution of UNDP to inclusiveness and poverty reduction captured in the CPD Outcome 2.1.

**5.2.1 Effectiveness of UPPR Approach**

As the “opportunity” dimension refers to changes in the multidimensional *access* space (as described earlier in Table 3) we focus on indicators to community-level infrastructural improvements, household-level livelihood assets, and access to pro-poor institutions and networking capital as a result of social mobilization. Individual indicators for all these dimensions are not always available, however. Here we summarize the main results (Annex 3 gives details of the quantitative evaluation). Several aspects are noteworthy.

First, there has been a significant improvement in the access to drinking water, sanitation, and drainage compared to initial conditions in the low-income settlements prevailing at the start of the programme. For the sample of UPPR end-line survey, proportion of respondents reporting ‘positive change’ far outweighs the combined weight of those reporting ‘no change’ and ‘negative change’ (see, Table 4). This favorable perception based results are consistent with actual achievements even when the progress is measured against the control group.[[25]](#footnote-25) Thus, the clear edge of the treatment group over the control group can be seen in the use of sanitary latrine (72% vs. 63%) and incidence of arsenic tested tubewell use (37% vs. 29%), reflecting higher awareness among the treatment group members.

**Table 4: Before-After Changes in Infrastructural Conditions of UPPR: Quasi Treatment-Control Design**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Negative change** | **No change** | **Positive change** |
| Water | 14.44 | 8.75 | 76.81 |
| Sanitation | 13.39 | 26.74 | 59.86 |
| Electricity | 21.9 | 47.84 | 30.25 |
| Drain | 13.07 | 24.32 | 62.61 |
| Road | 21.62 | 12.02 | 66.36 |

Note: Estimated by the Evaluation Mission from the primary data. The results for the treatment group only. Similar data are missing for the control group and hence, the so-called ‘double difference’ method cannot be applied straightaway here. However, we constructed quasi-control group by separating out those among the treatment group who reported receiving ‘no services’ in the primary survey data. The figures in this table (and in others) relating to UPPR thus represent ‘net improvements’ (i.e. net of differences between treatment and control groups) identified through counterfactual method.

Second, it is reassuring to see the progress in both treatment and control groups (read: households, settlements, communities) with respect to such basic indicators such as safe water, sanitation, and electricity access, though expectedly the matched progress has been higher in case of the treatment groups. One possibility is the pathway of networking externalities that flow from the treatment group to the control group because the two groups are not residing--more often than not—in complete isolation from each other. Improvements in treatment group by way of adoption of superior information, financial, production and ‘institutional technology’ as well as Behavior Change Communication (BCC) in basic health and education may have indirectly benefited the control households through “demonstration effects”. As a result, for example, we often found only a modest difference across the groups in terms of child mortality and electricity access.[[26]](#footnote-26)

Third, in addition to the improvements in settlement conditions, UPPR also provided apprenticeship and business grants to some of its members. Although the coverage of these grants were relatively small, they were beneficial to the recipient households. Thus, apprenticeship grant raised the income of the beneficiary by Taka 1000-3000. This is significant improvement given that they are mostly unemployed before receiving the grant (see, Annex 3: Figure 1). The same applies to those who received business grant. Although the size of the grant was relatively small (typically Taka 5000 or about 65 USD) it made a difference for the recipients. The average monthly income increased by 1300 Taka after receiving business/block grant. These results gives confirmation that UPPR made significant contribution in increasing business income of slum dwellers. In this way, UPPR contributed to the objective of inclusive growth. However, the matched would have been larger had there been much more pronounced focus on increasing the share of grant recipients. One possible way-out is to link the project beneficiaries to the world of finance that exist outside of the UPPR project, namely, the fast growing segment of urban microfinance and potentially available avenue of SME finance under the auspices of the formal banking system.

Fourth, as the “inclusiveness” dimension refers to changes in the multidimensional *well-being* space (as described earlier in Table 3) we focus on indicators relating to income and non-income dimensions of poverty and human development. The key result of our evaluation is that providing opportunity had a favorable influence on changes in the multidimensional well-being space. This can be seen from a range of indicators (see, Table 5). Both ‘row differential’ and ‘matched differential’ comparing the before-after situation for the treatment and control groups further confirm the positive and statistically highly significant effects of UPPR on the beneficiaries compared to the control group members with similar (econometrically matched) economic status.[[27]](#footnote-27) The clear comparative edges can be seen in case of income, employment, use of sanitary latrine, access to safe water and literacy rate. For the treatment group members, the literacy rate is estimated to be 96%; this may be contrasted to 78% for the control group, suggesting higher human capital formation in the treatment group.

Fifth, an additional consideration in the present evaluation is the confounding issue of UNDP’s specific contribution to programme outcomes. Since information on the ‘pure’ control group is missing in the baseline, we cannot apply the double-difference method (DD-method) easily. However, we can consider the national benchmark of HIES estimates against which matched progress in UPPR programme can be measured.[[28]](#footnote-28) The results show that even compared to the national level benchmarks UPPR slums have progressed faster in respect of most indicators. Thus, water sealed latrine and tube well in UPPR slums grew faster than national level changes. Electricity access grew faster in national level than in UPPR slums. This is explicable by the fact that urban slum dwellers have already got very high electricity access making the variable of “changes in electricity access in slums” very low. Literacy growth in UPPR slums is much higher than that in national level. These results are remarkable in the sense that they show urban slums influenced by UPPR interventions in a very favorable light even compared to the *changes* experienced at the national level. This indicates urban low-income settlements can grow fast out of poverty with appropriately designed programmatic support.

It also indirectly explodes myth about the continued mismatches between income and non-income dimensions of well-being between the urban and rural poor. According to this myth, while the income level is higher for the urban poor, the non-income indicators of well-being (education, health, water and sanitation) is better for the rural poor. This may have had some truth in the context of 1990s.[[29]](#footnote-29) However, this is no longer the case now. The pace of progress in non-income dimensions of well-being for the urban poor is not necessarily worse than that for the rural poor. UPPR intervention shows that such exaggerated claims no longer hold true for Bangladesh.

**Table 5: Unmatched and Matched Differences in Well-being Indicators between Treatment and Control Groups in UPPR Sites**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Raw differential | | Matched differential | | HIES 2005 | HIES 2010 | Changes in HIES or national level |
|  | Estimate | t-ratio | Estimate | t-ratio |
| Income (Taka/hh/month) | 1,100-3,000 | n/a | n/a | n/a | 7,213 | 11,479 | 4,266 |
| water sealed latrine (yes=1) | 9.28% | 2.90 | 11.97% | 3.17 | 6.99% | 17.24% | 10.25% |
| Tube well/deep tube well (yes=1) | 7.26% | 2.43 | 5.57% | 1.92 | 89.97% | 88.44% | -1.53% |
| Arsenic test (yes=1) | 8.63% | 2.57 | 7.90% | 2.53 | 63.17% | 51.88% | -11.29% |
| Arsenic availability (yes=1) | 2.74% | 0.81 | 4.09% | 1.70 | 11.24% | 3.72% | -7.52% |
| Electricity (yes=1) | 0.16% | 0.14 | 1.28% | 0.60 | 47.09% | 57.65% | 10.56% |
| Literacy (yes=1) | 18.01% | 5.69 | 17.40% | 7.48 | 51.9% | 57.91% | 6.01% |
| 12 months Employment | increase | n/a | n/a | n/a | 71.95% | 77.65% | 5.7% |
| Child mortality (yes=1) | 0.51% | 0.53 | -0.02% | -0.01 |  |  |  |

**Note:** t-ratios are calculated from robust standard errors. The estimates are carried by the Evaluation Team from the primary survey data.

Sixth, it should be mentioned that there is no information about female empowerment and absorbing power against shocks in the survey data of UPPR. We cannot show their changes using quantitative method. However, from the field visit, we got the impression that woman empowerment has increased, because women are now engaged in economic activities aided by business grant, social mobilization, participation in CBOs and its saving-and-loan activities. As a result, their decision making power has increased within and outside household.

Seventh, the other aspect is relates to vulnerability reduction. As economic power of slum dwellers has increased, absorbing power against shocks has also increased. However, slum dwellers continue to face endemic vulnerability to eviction from their homestead lands/ houses. UPPR survey data show that only about half of the slum dwellers have ownership of land in places where they are currently living; the rest of the land ownerships are either illegal or without contract. The skyrocketing of urban land prices over the last two decades makes their situation even more precarious in this regard. In the long-run, spatial graduation of these urban poorest households from slums and squatters into low-income settlements with easier land-ownership and/or rental access can make them much less vulnerable to eviction shocks. A better public commuting facility via inter-city and rural-urban connectivity can be of additional help, reducing the costs of rural-urban dislocation. If socio-economic conditions (e.g. income, education) of the urban poor improve further with accelerated and more inclusive economic growth, they would be much less susceptible to shocks even if they are removed from slums due to ever increasing--and often unavoidable--pressures of modernization and urbanization.

**5.2.2 Effectiveness of CHTDF Approach**

As in case of UPPR, we follow the same approach, first discussing the quantitative aspects of evaluation before turning to the qualitative evidence. The first thing is to note that CHTDF was implemented in a complex post-conflict setting where long duration of conflict had footprints that can be traced back even today.[[30]](#footnote-30) This has direct relevance for assessing the “inclusiveness” dimension of effectiveness of CHTDF approach. The argument is that inclusiveness in the context of post-conflict setting involving inter-ethnic coexistence and integration issues cannot be limited to the consideration of ‘vertical inequality’ (i.e. the gap between the rich and the poor) but also pay attention to the issue of ‘horizontal inequality’ (i.e. the inter-ethnic gap at a given level of income). In this evaluation concerning CHTDF, we principally pay attention to the issue of ‘horizontal inequality’ as a measure of inclusiveness. Annex 3 gives the details of quantitative findings, here we capture the main quantitative results important from the perspective of present evaluation. Several findings are noteworthy.

First, some of the inter-ethnic gaps between the Bengalee and indigenous peoples (often working not in the predictable direction) are in the nature of initial conditions. For example, the female labor force participation rate is twice as much higher in case of the indigenous population compared with the Bengalee population (88% vs. 44%). If the country as a whole could attain such a high rate of female work force participation comparable to South-East Asian economies, then the growth rate of GDP could have been accelerated to 8% and beyond. However, the quality of female labor force remains poor in case of both communities. Most of the women in both groups were engaged in irregular earning activities.

Second, Bengalee people were engaged mainly in business, and indigenous people were engaged mainly in farming.[[31]](#footnote-31) This sectoral divide also helps to explain the relative income gap observed in CHTDF areas. This employment/economic gap provides the material basis for durable discriminatory scenario between indigenous people and Bengalee people.

Third, the CHTDF project recognized this economic issue at the outset and worked to minimize this economic gap between these two ethnic communities. It provided training programmes especially to women to teach how to grow agricultural products in an efficient way. Many indigenous women learned production of new agricultural items such as mushroom and honey bees. They have found these products as profitable. UNDP-CHTDF provided several supports such as seeds, pests, medicines for insects for these high value-added agricultural products. It also helped people in marketing these products. These interventions helped to raise the income of the indigenous people considerably and helped to reduce the employment/ income gap between the two communities.

Fourth, estimating the income and employment effects of the CHTDF intervention has been a major focus in assessing effectiveness at the programme level. Inclusiveness in the sense of horizontal inequality that exists between Bengalee and non-Bengalee communities is the key focus here. We consider three key dimensions of inclusiveness: income, employment and poverty (Table 6).

**Table 6: Income, employment and poverty by ethnicity and treatment-control groups**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | | Intervention | Control | Non-implementation |
| Gross Income | | Indigenous | 29,406 | 27,655 | 25,345 |
| Bengalee | 36,915 | 35,736 | 28,609 |
| Net Income | | Indigenous | 21,231 | 19,478 | 18,972 |
| Bengalee | 22,768 | 21,031 | 21,709 |
| Employment Rate | | Indigenous | 78.36% | 73.26% | 77.60% |
| Bengalee | 80.57% | 77.58% | 82.88% |
| Poverty Rate | | Indigenous | 43.73% | 56.14% | 47.62% |
| Bengalee | 42.21% | 48.04% | 39.15% |

The results point to three key findings of vital importance for the present evaluation. Rigorous comparisons between programme and control groups for the end-line survey show that (a) programme beneficiaries are better off than control group members and this cuts across the ethnic divide; that (b) the extent of improvements were higher for the non-Bengalee community; and (c) even after greater improvements, the well-being status of the non-Bengalee households are still lower than that for the Bengalee households. The summary message is that UNDP’s CHTDF project has contributed in a major way in facilitating upward mobility of all communities across ethnic divide. It has helped to reduce horizontal inequality—the income/ employment/ poverty gaps among major ethnicities, thus providing a durable economic platform for sustainable peace.

**5.2.3 Effectiveness of Reopa/ Swapno**

Although Swapno has just been initiated, it is a modification originally developed for Reopa. On the basis of the Reopa experience[[32]](#footnote-32) and based on the field visits to Swapno area, some tentative assessments can be made. The key conclusion is that Swapno (like its predecessor Reopa) is likely to be a successful model of graduation out of rural extreme poverty. This can be judged by several indicators. First, the program is careful about inclusiveness in the sense of being sensitive to extreme poverty. The program excludes any household already participating in other income transfer through welfare and/or work-fare programs. The criteria of program participation—“female destitute’ in the sense of being dependent on manual wage work for earning livelihoods and “socially vulnerable” in the sense of being widowed or abandoned by husband, or certain cases, having husbands who are in a disabled state—is clearly spelt out. While these criteria identify the potential pool of participants, the program displays innovation in the method of actual selection. 36-40 participants per union are selected by the village local government from the initial pool through the lottery process. The anonymity of the lottery and the close involvement of Union Parishad subject committee (usually the committee to prevent violence against women) help ensure the transparency of the beneficiary selection process. Such transparency is missing in most social protection programs designed to cater to the needs of the extreme poor.

Second, Swapno retains the good features of Reopa such as the mandatory savings component out of daily wages received by the beneficiary for infrastructural maintenance work. While in Reopa’s case, the daily wage was 100 taka with 70 taka in mandatory savings, in Swapno’s case the matched figures are 150 and 100 taka, respectively. Both programs deliver the total amount of savings at the end of the project cycle (i.e. 18-month period)—22,000 taka in case of Reopa and 25,000 in case of Swapno—which is a sizable amount by any reckoning. With this savings amount, the extreme poor can jump-start an income generating activity, which can put them on the fast track out of poverty.

Third, Swapno aspires to be an improved version of Reopa in that it tries to address a loop-hole of the Reopa project. The latter did not pay adequate attention to the skill-formation component (especially training of skills that can be profitably used for income-generating activities), instead being entirely dependent on the local partner NGOs for the training component. Swapno is attempting to link the training component with more institutionally durable framework (in this case, with ILO and its linkages with technical and vocational training outfits), and closer alliances with the private sector. The idea is to facilitate efficient use of capital raised through the mandatory savings component, and avoid early erosion of savings due to the wrong choice of income generating projects. It is too early, however, to conclude about the relative effectiveness of the training component of Swapno compared to Reopa.

Fourth, one thing is clear that the Swapno program is fast becoming very popular among the destitute women in rural areas. An early indication of this has been noted during the field visit to Kurigram where beneficiaries described their heightened social status of the community, their ease of access to emergency credit from the informal sector moneylenders (due to positive reputation effects), and their sense of confidence and voice expressed in their forceful participation in discussing social problems such as violence, dowry, early marriage, restrictive social norms influencing physical mobility beyond the boundary of their immediate community and other forms of cultural conservatism.[[33]](#footnote-33)

Fifth, Reopa was not tried in the difficult context of seasonal distress (Monga) affected areas. One of Swapno’s pilot areas has been a Monga-affected district, which is adversely influenced by the ecological dynamic of river erosion. Swapno’s other pilot areas is located in Satkhira in the southern part of Bangladesh. This area is known to be adversely affected by climate change. In that sense, Swapno brings the issue of extreme poverty reduction in the context of ecological vulnerability much more forcefully than was possible within the rubric of Reopa. However, more environmental poverty focus can be made in the context of Swapno, displaying sensitivities to other kinds of environmental vulnerabilities such as *haor* areas, drought prone areas, deforestation, and flood prone areas.

**5.2.4 Effectiveness of the Other Anti-Poverty Approaches**

**Support to Sustainable and Inclusive Planning (SSIP):** This isnot a direct intervention **programme.** This is a macro programme, which worked to improve policies through sustainable and inclusive planning. It is very difficult to evaluate this type of non-intervention programme. As this type of programme deals with policy improvement, we cannot capture effects of this programme from any reliable quantitative analysis. Interrupted time series analysis is one quantitative method, which can capture the effects of a programme in a certain point of time when that programme was started. That means that if a programme has an effect on an outcome, time series data of that outcome will be discontinuous at a cut-off point of time when the programme was started. But the problem of this method is that many other programmes might have been taken in that point of time. Therefore, it is difficult to say that any improvement of an outcome is due to the programme what we want to evaluate (might be due to other programmes). Besides, suitable time series data on poverty is not available in Bangladesh. Qualitative analysis is the most widely used way to evaluate this type of programme. We here just conceptualize how this programme may affect CPD outcome 2.1 – inclusive or pro-poor growth.

However,this programme had three goals called as outputs, which are mentioned in Table 7.Under first output, this programme supported general economic division (GED) of planning ministry in a way so that the capacity of GED for institutional and economic policy analysis improves.In broad sense, it worked to improve two outcome indicators under the first output, which are: (1.1) improvement of growth accounting framework and enhancement of capacities for pro-poor economic analysis, and (1.2) to construct a computable general equilibrium (CGE) model so that GED can forecast growth increase and poverty reduction very well.Achieving these outcome indicators will make a direct effect on CPD outcome 2.1, our desired outcome, which says about inclusive and pro-poor growth. Because if policy makers or government’s line ministries and departments implement policy planning on pro-poor growth or inclusive growth, taken by GED, pro-poor or inclusive growth can be improved. Second output and its outcome indicator of this programme deal with environmental planning, which might have a direct effect on CPD outcomes 3.1 and 3.2, which are about sustainable environment. This programme wanted to achieve MDG and SDG with a greater success through implementing third output and its outcome indicator – MDG and SDG monitoring.As MDG and SDG have a direct effect on pro-poor or inclusive growth, this third output will have a direct effect on CPD outcome 2.1 if because of this output MDG and SDG are achieved with a greater success.

This SSIP project/programme helped the planning commission in preparing concept note of 7th five year plan. In preparing concept note, this programme prioritised inclusive growthfocusing on lagging regions, gender mainstreaming, climate change, and nutritional status improvement issues. This programme also prepared ToRs of 16 out of 30 background studies of 7th five year plan. It also assisted and coordinated activities in conducting these studies. It even directly financed seven studies, which covered priority areas of inclusive growth. Through the national dialogue process, this programme also intervened in setting the post-2015 Development Agenda. Based on MDG progress report 2013, it helped the government so that the post-2015 Development Agenda is set to have pro-poor growth. This programme gave significant inputs in preparing the SAARC Development Goals (SDG) 2013 report. Thus, this programme made significant roles to produce policy suggestions for the government so that economic growth becomes pro-poor growth. If the government followed policy suggestions, we can say that this programme had an effect on inclusive or pro-poor growth.

**Table 7: Output and Outcome Indicators of SSIP**

|  |  |
| --- | --- |
| **Output** | **Outcome Indicators** |
| **Output 1:**  Institutional and Economic Policy analysis capacity enhancement for GED | 1. How much growth accounting framework and capacities for pro-poor economic analysis are improved? 2. How much the CGE model (developed to enhance policy analysis capacity of GED) has the capacity to forecast growth increase and poverty reduction? |
| **Output 2:**  Inclusive and Environmentally Sustainable Planning processes established | 1. Whether inclusive, climate sensitive and gender responsive plans at national and sub-national levels have increased. |
| **Output 3:**  MDG achievement and Post MDG framework delivered | 1. Whether the existent linkages between the MDG monitoring system, DRF, and budgetary instruments, are improved. |

***Strengthening Capacity for Aid Effectiveness in Bangladesh (SCAE):*** This was also a macro programme, whose purpose was to strengthen aid effectiveness.Again, we cannot evaluate this programme using quantitative approaches. We will rely on qualitative judgment to analyze its effectiveness on inclusive growth.

For last ten years, Bangladesh has been receiving foreign assistance on average US$ 1.54 billion per year, which constitutes almost 50% of Bangladesh’s development budget and 2% of Gross National Income (GNI). Although the share of foreign assistance in Bangladesh’s development budget is decreasing because of the increase in domestic finances, it is still a large amount. The Bangladesh Government received most of the foreign assistances in the form of loans (approximately 70% of foreign aid is provided in the form of loans), which increased national debts.

However, foreign assistance has low effectiveness in contributing sustainable development in the country. Although some recent studies have found little progress in aid effectiveness, there are several challenges needed to be addressed to improve aid effectiveness. Challenges are: (1) *lack of comprehensive, timely and easily accessible aid data affects transparency and evidence-based dialogue, (2) limited transparency, public oversight and accountability, (3) there is scope for Economic Relation Division (ERD) of Ministry of Finance to play a more comprehensive role in aid coordination and management, (4) the collective dialogue mechanism has not yet reached its full potential as coordination tool, and (5)* t*here is scope for Ministries to play a stronger role in aid coordination and management.*

*T*his programme was designed to *overcome the above challenges so that* foreignaid effectiveness *improves* in Bangladesh and *the strength of the government of Bangladesh (*GoB*) in* aid management capacities and systems *increase*s*.* With the support from UNDP, this programme has been executed by ERD within the time period of September 2011-June 2015.

This programme was run based on four interlinked and mutually reinforcing outputs, which were designed in such a way so that this programme contributes two United Nations Development Assistance Framework (UNDAF) outcomes: *(1) By 2016, Civil Service and local governments are more responsive and better able to deliver public services, and (2) Economic growth is achieved in an inclusive manner, extending opportunities to the rural and urban poor and protecting the vulnerable from shocks. (2012-2016)*, and one UNDAF output: *Government and non-government stakeholders are better able to improve aid effectiveness with a special focus on achieving the MDGs and pro-poor growth*. Our objective is to identify how much the programme affects the second UNDAF outcome mentioned here (this is basically CPD outcome 2.1). For this, we will try to find out first how this programme is connected with the outcome.

In Table 8, four outputs are shown with outcome indicators and resource allocations. We see that the highest budget **was allocated for achieving** second output – ERD’said coordination & aid management capacities enhanced. However, outputs 1, 2, and 3 have very weak connection with pro-poor and inclusive growth. As output 4 helped to increase the capacity of line ministries to make the decision on sector priorities, it may affect the CPD outcome 2.1. If after running this programme line ministries selected more relevant sectors/projects for poor, we can say that this programme affected inclusive and pro-poor growth positively.

**Table 8: Four outputs of SCAE with outcome indicators**

|  |  |
| --- | --- |
| ***Output*** | **Outcome Indicators** |
| ***Output* 1*:***  Aid transparency and GoB’s aid information management capacities and systems enhanced. | 1. Proportion of development partners, who have entered complete aid data. 2. Number of times AE website has been accessed by visitors. 3. Number of CSOs that use AIMS data. |
| ***Output 2:***  ERD’s aid coordination & aid management capacities enhanced. | * 1. Whether Aid Effectiveness Unit is fully embedded in national institutions.   2. Whether ERD’s aid management capacities have strengthened.   3. How well National aid policy is formulated based on comprehensive stakeholder consultations. |
| ***Output 3:***  Local Consultative Group (LCG) Mechanism strengthened. | 1. How much LCG Secretariat formally established in ERD is functional. 2. How much collective dialogue at sector level is strengthened. |
| ***Output 4:***  Aid coordination & management capacities of selected Ministries strengthened. | 1. Howmuchaid management capacity of selected ministries has enhanced. 2. How much project/programme management capacity of the Planning Division has enhanced. |

The current evaluation mostly focused on service delivery projects such as UPPR, CHTDF and Swapno, and less so on other projects of macroeconomic nature. However, the later projects can have potentially nationwide effects. For instance, SSIP can strengthen the planning machinery of the government by harnessing capacity-building and bringing in more analytical features into the planning process. This is especially important now when the country has made a silent transition from low-income to lower-middle income status and already aiming graduation out of LDC in a decade’s time. In this context, the role of macroeconomic planning affected by SSIP and Aid Effectiveness Project would be to prepare the planning apparatus with the required tools, expertise and clout commensurate with the lower middle income status. Lower middle income countries cannot be effectively run with low-income planning institutions. Herein lies the potentially important contribution of these macro projects.

**VI. Looking into the Future: Outlining Policy Recommendations**

The preceding section has discussed the relevance and effectiveness of anti-poverty interventions in the context of CPD Outcome 2.1. The issues of efficiency and sustainability have remained by and large outside the narrative[[34]](#footnote-34). In particular, the sustainability of the anti-poverty interventions needs to be considered, as many of these programs are currently phasing out and new programs are already appearing on the horizon. This issue is taken up in the next section (see Section 6.1). At the outset, it must be clarified that sustainability can be used in the dual sense: (a) in the sense of sustainability of the project impact, and (b) sustainability of the particular interventions. Following the “theory of change” one can easily postulate that the sustainability of the project impact can continue even after the end of the project cycle. In the UNDP’s case, however, sustainability of the project interventions are also in question as some are transitioning from first generation to second generation, as with UPPR and Reopa. In the subsequent discussion, we use sustainability in both senses and discuss the possible ways of sustaining and magnifying further the impact of UNDP’s anti-poverty implications in broad strokes.

**6.1 Sustaining Anti-Poverty Interventions: Some Strategic Reconsiderations**

**6.1.1 Balancing between Innovation and Replication Goals**

As many of the first-generation programmes approach the end of their project cycle, questions naturally spring up about their likely futures. Should they be replicated in the rest of country? Should they be modified into new pilots that attempt to “correct” the past mistakes and “address” the new challenges? If a generation is defined by a period of 10 years, should some of these programmes (such as CHTDF and UPPR) be phased out and given a lease of rebirth as “second-generation” programmes? Two points may be highlighted here. First, rebirth should accompany some serious auto-critique[[35]](#footnote-35), and second, due weight should be given to the replication of successful pilots before deciding to launch another pilot of a similar nature in another name. Ideally, in the area of anti-poverty projects, a resource expenditure balance should be struck between the “innovation goal” (that demonstrates success through pilots) and the “replication goal” (that identifies constraints to nation-wide replication). Pursuit of these two types of goals requires two type of institutional skills, two types of institutional modalities and two types of institutional champions. To give a historical example, food-for-education was piloted under the aegis of the Ministry of Food more as a vehicle of food security; later, its human development potentials were recognized and the programme was actively promoted by the Ministry of Education nation-wide. Subsequently, cash-for-education and cash plus food transfer schemes were experimented in innovative pilots with support from IFPRI and WFP, which are now awaiting further nation-wide replication. UNDP has been engaged in promoting innovation goals through various experimental programmes in different areas ranging from poverty reduction to participatory governance. Replication, of course, cannot be UNDP’s direct responsibility: such placement requires coordination between multiple actors.

**6.1.2 Realizing the Untapped Potentials**

Several possibilities and challenges emerge from the specific programmatic review. For example, business grant for women beneficiaries in UPPR merits larger focus as well as coverage. This cannot be achieved only through the support of the project resources. It requires bridging the informal-formal divide with the help of UPPR (or its future version) by enabling the grant beneficiaries to connect with existing system of urban microfinance, as well as potentially important resources earmarked for SME financing under the formal banking system. Recent data available from the partner NGOs of Shiree programme as well as evidence from Souhardo-2 of Care suggests that urban sub-sector of microfinance is rapidly expanding in both large and small townships. This needs to be further tapped by the UPPR-type of interventions as an *additional* development resource. Similarly, the connection of UPPR with SME financing is at present extremely coincidental. The SME finance has emerged in recent years—and will expand further--as the most growing segment of formal bank finance. Linking further the CBOs created by UPPR type interventions with SME financing can not only aid faster capital formation, but also help the urban low-income settlements to become integrated with macro economy on more favorable terms. Establishing such financial links of the slum-economy with the quasi-formal (microfinance), as well as formal banking is also on the policy agenda of the central bank (i.e. Bangladesh Bank) encouraging financial deepening and inclusive finance.

Similar untapped potentials exist in the area of skill formation and enhancement of employability of labor through apprenticeship training and grants. UPPR experience shows that such grants can facilitate the young people to enter into the labor market and contribute to their incomes considerably. However, the programme may emphasize more the skill formation of the youth not only for domestic non-agricultural jobs, but also for overseas jobs. As the structural transformation of the country progresses along the route of modernization, urbanization and industrialization, the demand for relatively skilled labor is increasing in construction, service and manufacturing sectors domestically. However, the overseas markets are also becoming increasingly important avenues for seeking employment in jobs that require specific skills, which can be domestically provided. Consequently, the future project design may put more pronounced emphasis on linking the prospective project beneficiaries with the rapidly expanding vocational and technical training centers.[[36]](#footnote-36) Here establishing links with other development partners such as ILO interested in similar sets of issues can bring more synergies.

**6.1.3 Factors that Remain Outside of Project Control: The Role of Pro-Poor Transformative Structures**

The issue of pro-poor “transformative structures”—access to pro-poor institutions, infrastructure, technology, and policy support mechanisms—appear to constrain the attainment of the desired programme effects as defined by the CPD Outcome 2.1. In the case of CHTDF, there are multiple administrative authorities that enhance the transaction costs in the decision-making and implementation process. Each of the 3 CHT districts has a separate Hill District Council (HDC) headed by a Chairman. HDCs, however, are not an elected body and the Chairman of HDC is appointed by the Ministry of CHT Affairs. According to the 1997 Peace Accord, the HDCs are supposed to be popularly elected—a vital institutional conditionality that remained unfulfilled till today. The HDCs are also supposed to be managed by a higher oversight body Regional Council (RC).[[37]](#footnote-37) In practice, however, HDCs are only nominally accountable to the RC, with the day-to-day matters of HDCs being controlled by the Ministry of CHT Affairs located in Dhaka. Besides the HDCs and RC, there is the often far more forceful presence of the offices of the district administration such as the District Commissioner (DC), Superintendent of Police (SP) who remain virtually outside the chain of command of an HDC or RC. A further complication is added by the parallel structure of command and allegiance symbolized by the traditional institutions such as the *Karbaris* at the community level and the office of the Rajah at the district level. These traditional institutions such as *Karbaris* run parallel to the usual structures of decentralization epitomized by the Union Parishads (UPs) and Upazila Councils (UCs). We have to, therefore, face the reality of a maze of parallel and conflictual institutions of local governance across the length and breadth of the vast CHT districts, which can give rise to the potential problems of coordination in the planning and implementation of development projects. Navigating a big and long-duration programme such as CHTDF through the crisscross of diverse local institutions has not been an easy task. To some extent, the task at hand was eased by the relative autonomy of the CHTDF programme as a “directly executed” project, giving the project officers the flexibility to adjust to the complex institutional environment. This, however, becomes a challenging task in the medium-term, especially in the transition phase, as the project is being brought under the national execution. An improvement in the local governance structures in line with the Peace Accord will greatly contribute to the effectiveness and sustainability of the reshaped CHTDF.

Similar institutional enigmas seem to persist in case of UPPR: who should be the intuitional champion—LGED or LGD? Why is there such a limited partnership with private sector and NGOs? How can the latter be expanded? Resolution of these issues requires a strategic approach to institutional reform often not in the control of a single project intervention.

**6.1.4 Missing Focus on Dynamics of Graduation: Implications for Monitoring and Evaluation**

First, there are no dynamics of graduation to monitor changes before and after the intervention, and with and without interventions, considered together. As a result, the so-called difference-in-difference (the DD method) cannot be applied in any of projects selected for the present evaluation. For example, in the UPPR project there is no control group in either baseline or endline. The same baseline households were not used in the endline survey. Furthermore, the baseline survey had more household coverage, while endline survey had smaller coverage.

Second, income data collected in the baseline were continuous, but income data collected in the endline survey was categorical data – hence strict comparison between income data could not be performed.

Third, perceptions about changes in income data has been gathered in the endline survey, but there is no solid benchmark has been established for comparison. As a result, the changes in income has to be taken with a grain of salt: changes of 25% or 50% have been reported, but the quality of change cannot be judged without the absolute values.

Fourth, given the lack of emphasis on coherent data collection both with regards to income as well as consumption expenditure, no income poverty estimate is possible on a defensible basis. The upshot is that the major claim of that project regarding the objective of lifting 3 million people out of poverty cannot be verified with quantitative evidence. This is a major gap in the evaluation mission of the UPPR project.

Fifth, multidimensional poverty index has been computed in selected towns, but no before-after comparisons can be made since MPI was done for the endline evaluation. Thus, we cannot know what the MPI was before, or how it has changed due to program interventions. Besides, no national level urban MPI is available based on slum census or HIES data, which makes the assessment of progress a difficult task in a longitudinal framework. The use of multidimensional poverty cannot take away the central importance of monitoring income or consumption poverty, and the project has unintentionally deemphasized the income poverty aspect compared to the multidimensional poverty aspect.

Sixth, as regards the CHTDF evaluation, only single difference in the endline survey was possible to estimate, since control group data was missing in case of baseline. For the endline survey, however, information on control groups have been generated. In fact, there are two kinds of control groups: control-1 households (called the “non-implementation group”) that reside in the same area as the treatment group (called the “intervention group”), and control-2 households that reside outside of the treatment area. This is a considerable improvement from the monitoring and evaluation point of view.

**6.1.5 Missing Data for Evaluation of CPD 2.1: Implications for Data Monitoring Systems**

There is a stunning absence of the most important indicators for monitoring inclusiveness, opportunities, and vulnerability, which are three central tenets of outcome evaluation. Currently CPD Outcome 2.1 indicators better serve as country level indicators rather than the project/programme level indicators. For instance, inclusiveness means not only a focus on poverty, but also a disaggregated focus on extreme poverty as well as moderate poverty. Such disaggregation has scarcely been made systematically for project evaluation reports. On the other hand, inclusiveness also means focusing on consumption and income inequalities, i.e. looking at the entire distribution and not just the tail end of the distribution. Focusing on inequality means poverty is defined as a consequence of redistribution against the poor in favor of the rich. Monitoring and evaluation systems, consequently, should collect information about the asset control and exercise of power of the non-poor and the privileged. In particular, the control they exercise over the poor through control of land market, non-land asset market, tenurial security, access to credit, distribution of public transfer programs and other forms of coercive and non-coercive power exchanges. Poverty cannot be understood only by looking at the lower segment of the distributions without relating to what is happening at the upper end. This is particularly applicable to CHTDF where the role of the powerful and the privileged often try to circumscribe the zone of autonomy enjoyed by the poor within the rubric of the project framework. The same can be applied to the horizontal relationship between the Bengalees and non-Bengalees, and between the more powerful ethnic minorities and the less powerful ones. So much for the inclusiveness dimension.

As regards to the vulnerability dimension, most of the documents are understanding vulnerability in the restricted sense – that is with respect to ecological or environmental vulnerabilities. However only a third of such shocks are ecological in nature (Sen and Ali 2015, Rahman and Hossain 1995). Another significant third of vulnerability to shocks originate from susceptibility to ill-health or health crises, with the rest being accounted for by governance shocks (shocks related to bad law and order). In the project documents, we have not found enough emphasis on the critical importance of shocks relating to the lack of curative healthcare (particularly catastrophic health shocks). As a result, not enough attention is paid to the blending of micro-health insurance measures in the project design. This is particularly relevant for the urban poverty projects where lack of access to pro-poor health services has reduced the extent of project impact on the poor beneficiaries. Nevertheless, this is also true for rural areas where some success has been achieved in the area of preventative healthcare but not curative. UPPR, Swapno and other programs can benefit immensely from incorporation of micro-health insurance in the project design.

Another problem is that adequate treatment of inclusiveness, opportunity and vulnerability demands equal attention to both quantitative and qualitative aspects. In other words, the so-called Q-squared (qual-quant) method is needed to verify quantitative claims against qualitative impressions. However, qualitative data is a world unto itself, demanding investment in the gathering of such data which can be in the form of structured qualitative questionnaire -- entry by code, and blended easily with quantitative measures. The other issue is the MIS of the project where one can collect the life history of successful and unsuccessful beneficiaries. These life stories depicting graduation out of poverty can offer rich insights into the impact of project interventions now and in the future, as implied by the framework of “theory of change”. However, such life histories are a rarity in the evaluation documents. In short, the paucity of data makes the application of REES methodology somewhat problematic in the context of UNDP anti-poverty projects implemented in the past cycle.

Finally, in the context of transition from MDG to SDG, UNDP needs to engage the GoB in a discussion about which of the SDGs should be prioritized in the post-2015 period. Following this, UNDP should continue to align its poverty reduction programmes with the new priorities including data collection processes. UNDP should consider supporting special projects through the Bangladesh Bureau of Statistics for SDG monitoring similar to poverty monitoring through HIES. It should also interface with civil society and research think tanks in order to operationalize SDGs in the specific country context.

**6.2**  **Expanding to Unmet Needs: Focusing on the Bypassed Dimensions**

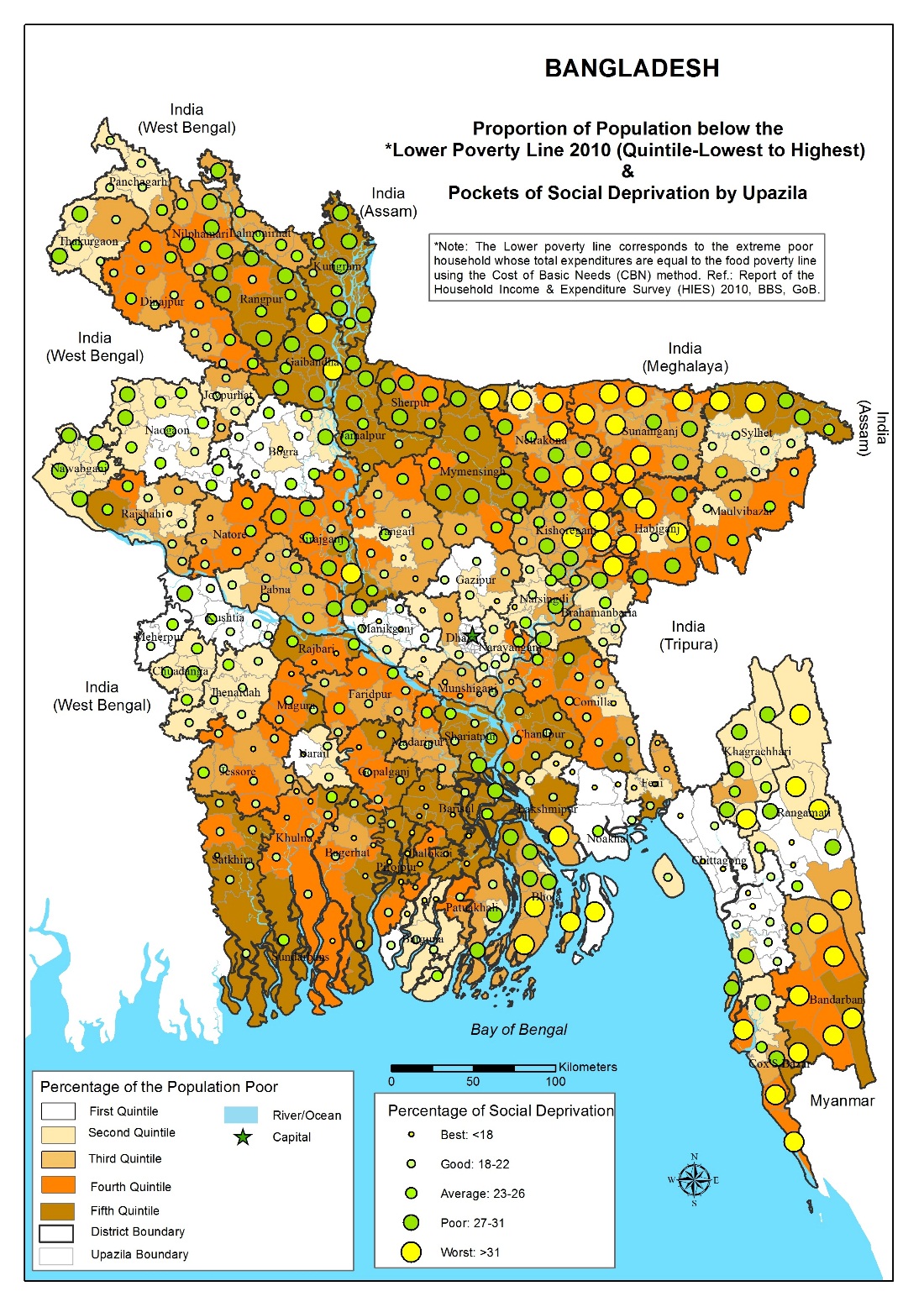
**6.2.1 Ethnic Minority Populations Residing Outside CHT**

One of the gaps within UNDP’s existing programs in Bangladesh is in the case of CHTDF, which is more focused on poor ethnicities living in the hill areas. However, there are also ethnic populations who reside beyond hills in Bangladesh – in fact, the majority of these populations live outside the CHT. The condition of this contingent of ethnic poor, such as the Garos in Mymensingh, Shantals in Rajshahi, Khashia in Sylhet and Tripuris in Comilla, is yet to be addressed.

**6.2.2 Marginalized Populations in Low-Lying *Haor* Areas**

Even though UNDP is sensitive to several geographically poor areas, there are still pockets remaining outside of the purview of UNDP’s interventions. For example, low-lying *haor* areas are not served by UNDP’s existing anti-poverty programs. One reason is these low lying areas tend to have lower levels of extreme poverty than control areas, but both poor and non-poor populations in these areas are more vulnerable to shocks because of the threat of submergence. Secondly, these areas tend to lie underwater for half the year, and therefore the overall level of service deliveries (health, education, etc.) is poorer than in other regions. Consequently, the human development indicators in these *haor* areas are far worse than in the case of more poverty-prone but better-connected poor districts. However, this is not just the issue of paying attention to *haor* areas but it is also drawing attention to the more generalized dimensions of spatial poverty with large variations of ecological vulnerability (see Figure 5).

**Figure 5: Spatial Poverty and Vulnerability in Bangladesh**



**6.2.3 Addressing the Needs of the “Mixed Workers” Through Secondary City Development**

UPPR is mostly focusing on the poor residing within secondary towns. This is an important strategic move; however, one needs more comprehensive focus on the development of secondary towns rather simply on the segment of urban poor residing in them. This issue indeed deserves more than a cursory glance. There is a category of people living in rural towns for whom one leg is in agriculture and another in non-agriculture. This category of households we call mixed category, where the key challenge is to find an optimum balance between time allocated for agriculture and non-agriculture. It is inconceivable in the near future that the majority of the workers currently located in agriculture can be relocated and transitioned entirely to non-agricultural sectors in mega-cities or even secondary towns. However, these workers can be turned into an expanding group of mixed workers who can continue to live in rural areas but still commute to secondary cities and earn their livelihoods from non-agricultural work. Connectivity to secondary towns would be easier for them compared to connectivity to mega-cities. This would demand for UPPR, or its future version, to think beyond the rubric of urban poor settlements in secondary towns and instead consider bringing jobs to prospective rural mixed workers who can commute to secondary towns on a regular basis for work. Consequently, UNDP should contemplate investing in pro-poor transport infrastructure to support the commuting capabilities of mixed workers into secondary towns. This would require designing differently the activity mix of UPPR-type projects.

**6.2.4 Pro-Poor Urban Service Delivery in Mega-Cities**

UPPR is focused outside of the orbit of Dhaka and Chittagong. While this is a welcome move in the direction of strengthening smaller cities/towns, it must also be recognized that mega-cities house a disproportionate number of urban poor. The attraction of Dhaka city for the prospective rural poor migrants is explained by the additional income and employment opportunities not available in other smaller towns. However, the non-income dimensions of the urban poor residing in mega-cities are relatively underdeveloped. Hence, it merits specific attention in the next phase of the programs. The argument that one needs to discourage migration to mega-cities in the near future has to be calibrated by the fact that these mega-cities are marked by more efficient utilization of resources characterized by “agglomeration economies”. Hence, the advantage of the mega-cities cannot be discounted even in the context of future urban growth (World Bank WDR 2009). In short, there should be an UPPR equivalent for mega-cities such as Dhaka.

**6.2.5 Focusing on Chronic Rather Than Simply on Poverty**

Another lacuna in the current strategies is the lack of attention to specific chronic poverty groups, and special problems of the chronic poor in general. The analytical focus of UNDP’s current approach on the poor is focused at best on the extreme poor, but not as much on the category of chronic poor – those who remain in extreme poverty for generations. While it is admittedly difficult to identify these populations *ex ante* for programmatic interventions, there are indirect ways out. For instance, specific chronic poverty groups who are marginalized generationally can serve as an indication of chronic poverty. These groups include disabled populations, those ill equipped health-wise, materially, or otherwise, to take advantage of development opportunities, disempowered communities and population groups, those engaged in very low-productivity and/or dying occupations (such as the *Bede* or snake-charmers, the *Kumar* or potters, the *Kamar* or rural blacksmiths, traditional artisan groups) as well as itinerant populations. There are also questions with regards to the future rehabilitation of ex-convicts and drug addicts hailing from the poorer groups.

**6.2.6 Tackling the Challenges of the Vulnerable Non-Poor**

Anti-poverty approaches have to be sustainable – that is, it must support today’s poor while keeping in mind the challenges for tomorrow’s poor. Most of the anti-poverty interventions, including that of UNDP, are focused on today’s poor and only marginally address the future needs of those who are currently escaping poverty. They can easily regress due to sudden shocks and/or systemic exploitation, which corrodes the asset base of the non-poor living just above the poverty line. Hence, the evaluation team strongly feels some pilot programs be undertaken to serve the needs of the poor who may have crossed the dollar a day threshold but lives below two dollars a day i.e. Latin American poverty line. This in-between population can be called the *vulnerable non-poor* (see Sen 2014 for elaboration). Presumably, this population’s skill, capital and mobility requirements would be somewhat different from the extreme poor and moderately poor. The vulnerable population will need more emphasis on insurance against shocks, more focus on skill formation and human capital, and greater recognition in policy discourse.

**6.2.7 Female Empowerment to Achieve Poverty Reduction**

One of the key reasons for slow progress in stunting rate is the prevalence of early marriages. 70% of women in rural areas are married before age 18, and 40% before age 16. One of the key reasons underlying early marriages is a high dowry rate (the dowry rate goes up with increases in age at marriage). Since the poor households cannot meet the pressure of the high dowry rate, they tend to influence their daughters into early marriage. We can act on poverty reduction in order to increase the age at marriage, which is a very slow process, but we can also act on eradicating dowry, which will increase the age at marriage more immediately for girls living in poor households. Although this is a social issue, it is in line with the violence against women project to work much more forcefully on preventing dowry and dowry-related oppressions, thereby improving the age at marriage and stunting rate of future children. A lowering of stunting rate will also enhance future productivity, income and poverty reduction rate of the nation. Moreover, this is just one possible issue. One can imagine other norm-changing interventions to improve pro-poor social conventions in Bangladesh. This includes a favorable attitude towards smaller size families, contraception (not only for female but also for male), lower son preference, greater status of women within and outside households, and privileging civil laws over traditional practices, which are often restrictive in terms of human freedom.

**6.2.8 From Caloric to Micronutrient Sufficiency**

Most of the poverty reduction attempts by UNDP has focused on food calorie needs. It is important we now make the transition from calorie-centric poverty reduction to micronutrient-centric poverty reduction in both our national planning as well as micro-level project planning. As income of the poor rises, they can better satisfy the calorie needs by increasing the serial consumption. However, only calorie sufficiency will not eradicate some of the stubborn health nutrition problems of the poor and their families. To that end, one needs to focus on supplementing or increasing the access to micronutrients which can be derived from fruits, vegetables and animal protein. While some progress has been made nationally in this respect, much remains to be done on this issue. A careful supply-demand balance of micronutrient production and consumption is needed. UNDP anti-poverty interventions can support such micronutrient production and consumption aspects through their projects and advocacy policies. This can be easily factored into the context of rural projects such as Swapno and CHTDF, where micronutrient can be encouraged through project design. It can also be practiced in the case of urban projects, where micronutrient consumption can be encouraged through project advocacy including micronutrient focused health nutrition programmes. This would be a timely move on part of the UNDP interventions as the country is currently lagging behind accelerating progress on the nutritional front compared to income poverty reduction and child mortality.

**6.2.9. Role of “Transitional” Issues**

The nine programs selected for the present evaluation are diverse in nature and face different project cycles. Some of those programmes such as UPPR and CHTDF are nearing their end. Other programmes such as Reopa are already being phased out, and Swapno is taking its place, but the new programme is in its infancy. Consequently, each of those three big ticket programs under the present evaluation have transitional issues. These transitional issues needs to be addressed effectively before one thinks about the new phase of these programs. For example, when the CHTDF will phase out in 2016, many of the program components may face uncertain futures, as in the case of community schools supported by CHTDF. Most of these community schools are already facing the risk of closure (there are 86 community schools serving the ethnic minorities in CHT areas in the Rangamati district alone). These schools were operated by the CHTDF project directly, and have not been promised immediate nationalization or takeover by the central government. As a result, the schooling prospects of ordinary boys and girls would suffer. The same applies to community health projects run by CHTDF. Consequently, the health services available in remote areas will also suffer. This merits dialogue and the development of a coordinating mechanism with the government such that the transitional effects can be minimized and the plight of ordinary people prevented. Some form of interim procedure needs to be developed to address this issue. This has been brought up time and again by the evaluation mission when visiting CHT areas Khagrachari-Rangamati in the first week of October 2015. Maintenance of the social (inter-ethnic) peace is another consideration. CHTDF projects have been relatively successful in promoting a confidence building initiative that encompassed both Bengalee and non-Bengalee communities through civil peace building committees. The function of these committees was to serve as an early warning system in the eventuality of social calamities and/or unrest, which are often quite common in CHT areas. These committees played an important role in maintaining local peace and in helping the government maintain law and order. Phasing out of CHTDF heightens the risk of rendering these committees dysfunctional in the interim period, when transition will take place in the project arrangements. Given the criticality of maintaining peace in the CHT areas, it is important that such peace mechanisms developed by CHTDF are being retained, maintained and supported so that liaison and communication activities continue unabated.

These transitional issues will also figure in the context of the relatively settled UPPR projects. Here the transitions are in the form of a fulcrum shift from the LGED wing of the ministry to LGD of the ministry. However, the suitable institutional mechanisms are yet to be installed in the LGD ministry, whereas LGED is better equipped infra-structurally to deal with the day-to-day requirements of the UPPR project. Admittedly, LGD is in a better position to influence urban local governments, such as *pourasabha* or the city governments. However, the political influence has to be backed up by the capacity to administer and monitor, which is currently lacking in the LGD. As a result of this organizational shift, the activities promoted by UPPR, especially the activities of CBOs, are under threat. This is not a hypothetical proposition, given the turnover rate in urban slums. Many of these population live in low income settlements such that they cannot be traced easily in the subsequent cycle. Recent analysis shows 40% turnover rate in the panel data of DSK-Shiree (Sen and Ali 2015). CBOs are the greatest contribution of the UPPR project, and they must be protected at any rate by the new arrangement.

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# Technical Annexes 1-4

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### Annex 1: DRAFT EVALUATION MATRIX (OUTCOME 2.1./POVERTY)

| **Review questions** | **Sub-questions** | **Data sources** | **Data collection methods** |
| --- | --- | --- | --- |
| How **relevant** are UNDP’s interventions in Bangladesh in the area of pro-poor economic growth? | * **To what extent are UNDP's key poverty programmes and projects *relevant* to achieve inclusive economic growth, opportunities for rural and urban poor and protection against shocks?** | * Result frameworks of key poverty programmes and projects * Project reports on activities and outputs of key poverty programmes and projects * Staff from government, partner organizations and the UN/UNDP | * Analysis, clarification and interpretation of the outcome statement * Systematic analysis of logical linkages between UNDP’s programmes and projects under the umbrella of outcome 2.1. and the CPD/UNDAF outcome * Semi-structured key informant interviews (using purposive sampling) |
| How **effective** have UNDP’s interventions be in the area of pro-poor economic growth? | * **Compared to 2011, is economic growth now more inclusive?\*** | * International indices and databases on economic development in Bangladesh * National and international surveys, indices, media reports, academic studies, etc. about rural and urban poverty and their economic opportunities * Opinions and perceptions of civil society representatives * Project documentation of key poverty programmes * Opinions and perceptions of civil society representatives, government representatives, partners and the UN * 2 studies on Multidimensional Poverty in Urban Bangladesh * Socio-Economic Baseline Survey of Chittagong Hill Tracts * UPPR’s [Socio-Economic Fund](http://www.upprbd.org/newsdetail.aspx?ID=56) (SEF) and the Settlements Improvement Fund (SIF) * Study of short term outcomes for apprenticeship and block grants recipients of UPPR, study of short term outcomes for households using improved water and sanitation sources” of UPPR * Now I say: Measuring women’s empowerment in UPPR | * Collection, aggregation and analysis of databases by evaluation team *(secondary data)* * Collection, desk review and analysis of qualitative information by evaluation team *(secondary data)* * Key informant interviews, panels and/or focus group discussions on effectiveness of government institutions and their level of accountability, transparency, and inclusiveness * Structured interviews of civil society representatives, government representatives, partners and the UN * Review of international indices and databases on economic development in Bangladesh * Causal analysis of UNDP’s outputs and changes in economic inclusivity, economic opportunities for the rural and urban poor, and protection against shocks compared to before 2012? |
| * **Compared to 2011, do rural and urban poor now have more economic opportunities?\*** |
| * **Compared to 2011, are vulnerable groups now better protected against shocks?\*** |
| * **To what extent are these changes *due to UNDP's* interventions?\*** |
| How **efficient** has UNDP be in delivering outputs that contribute to more accountable, transparent, and inclusive government institutions? | * **To what extent were outputs of UNDP’s key poverty project and programme delivered in time and in good quality?** | * Overall work plans, Annual Work Plans, Quarterly and Annual project reports * Opinions and perceptions of civil society representatives, government representatives, partners and the UN | * Structured comparison of overall work plans, Annual Work Plan with Quarterly and Annual project reports * Key informant interviews, focus group discussions and/or structured interviews of civil society representatives, government representatives, partners and the UN |
| * **To what extent did UNDP ensure *value for money*?** | * Expenditure reports from ATLAS and Annual Project Reports * Outcome-level analysis of results (obtained through this evaluation) | * Value-for-money calculations based on expenditure data and actual results achieved[[38]](#footnote-38) |
| * **Has there been any duplication of efforts among UNDP’s own interventions and interventions delivered by other organizations or entities in contributing to the outcome?** | * UNDP project documents and reports * Programmes of UN agencies in Bangladesh * Programmes of large bilateral donors in Bangladesh * Programmes of large bilateral donors in Bangladesh * Semi-structured interviews with aid coordination staff in the Government of Bangladesh | * Structured comparison of UNDP’s programmes on governance and other past and ongoing programmes in the same area |
| How **sustainable** is the outcome already achieved likely to be after external funding ends? | * **What indications are there that the outcome will be sustained after external funding ends?** | * Outcome-level analysis of results (obtained through this evaluation) * Financial analysis of UNDP’s interventions and informed projections to what extent they might become financially sustainable * Semi-structured interviews with government officials on national ownership and future plans related to UNDP’s interventions | * Assessment of signs for financial sustainability and the level of national ownership * Projections on future financial sustainability |

**\* The questions on effectiveness should be given most importance and will be weighted more than other criteria in this evaluation. They demonstrate how UNDP initiatives have or have not contributed to the achievement of the outcome.**

**Annex 2: Re-estimating Programme Effects through Quantitative Techniques**

To estimate the causal effect of any programme, quantitative econometric methods are more reliable/scientific than qualitative methods. To apply the former methods, we need survey data containing treatment group (those who are treated by the programme) and control group (those who are not treated). One may think that if we have baseline survey and post-intervention survey only on treatment group, we can estimate the causal effect of a programme by comparing the average outcomes in baseline survey and in post-intervention survey. However, the comparison only for treatment group may give serious biased results, as there might be a temporal effect on the outcomes. To remove the temporal effect, such comparison is also necessary for control group. Any change in control group’s outcome is basically the temporal effect, which needs to be subtracted from a change in treatment group’s outcome to have a valid causal effect. This estimation method is called Diff-in-Diff or double difference method. In our available surveys, there are very few baseline surveys, and moreover, none of them contain a control group. Therefore, we cannot apply this method properly. For example, in CHTDF programme, there are baseline and intervention surveys only on treatment groups. However, we can apply this method to some extent. We can estimate changes over time of outcomes in treatment area from CHTDF survey data, and then we can estimate changes over time of outcomes in other areas from Household Income and Expenditure Survey (HIES) 2005 and 2010, and then we can compare those change between treatment and control areas to understant the programe effect on outcomes. Although time in treatment and control areas are not same, those changes will still give better results of treatment effect than those estimated from treatment groups only.

On the other hand, if both treatment and control groups are available only in a single cross section survey (a post-intervention survey), we can use other quantitative methods (e.g. matching estimators, propensity score matching). Luckily, in UPPR programme we have some post-intervention survey data, which contain both treatment and control groups. It should be noted that we will apply qualitative method for those programmes, which do not have such survey data. Here, we briefly describe some quantitative methods, which will be applied in the proposed report.

**Mean Difference and Matching Estimators**

Let  be the number of households where  households are treated and  are not,  is a dummy of treatment with 1 if household  is treated by any of SSN programmes and 0 otherwise, and  that is the outcome variable is per capita daily calorie consumption of household .  can be written as follows,



where  is the outcome of household  if treated, and  is the outcome of household  if not treated. Now, it is assumed that households are randomly selected for treatment. Therefore, the sample average treatment effect,  , will be (Neyman (1923)),



The same sample average treatment effect can be easily estimated if one runs the following OLS regression,



where , the coefficient of  , is then the sample average treatment effect.

The average treatment effect under mean difference method is unbiased under only randomized experiments which is rarely found in the social science field. Although people do randomized control trials, it is beyond the scope in this study. Rather, treatment might be provided condition to some observed characteristics of household , , that are assumed not to be related with . Therefore, these characteristics are called pre-treatment variables or exogenous variables. In this case, matching estimators are popular to estimate the average treatment effect based on the following assumptions (Heckman et al. (1998), Dehejia & Wahba (1999), Abadie & Imbens (2002)).

**Assumption 1:** * or  is independent on  conditional on .*



This assumption is called unconfoundedness.

**Assumption 2:** *The propensity score, the probability of treatment given , will remain between 0 and 1. Therefore,*



This assumption is called overlapping.

Before estimating the average treatment effect on an outcome variable, it is required to test these assumptions. The unconfoundedness test can be run by estimating the average treatment effect on such a covariate which is free from  (Heckman & Hotz (1989)). Zero value of the average treatment effect is set as a null hypothesis, and if the null hypothesis is not rejected, then it is likely that the unconfoundedness assumption holds. On the other hand, the overlapping assumption can be tested from histogram plots of propensity score for treatment and control groups. If distributions of propensity score are different in treatment and control groups, then one can conclude that this assumption does not hold. For example, if distribution is right skewed in the treatment group and left skewed in the control group, then it is clear that overlapping is absent. If this assumption is violated, dropping some observations is a good practice to satisfy it. Dropping will be done using propensity score. If propensity score is below 0.1 and above 0.9, one can drop observations (Crump et al. (2006)).

Matching estimators use only the outcomes of the nearest neighbours of the opposite group based on covariates. From these neighbours, researchers have to choose the number of matches given the matching metric.

Following Abadie & Imbens (2002), for , and , an index  for  exists that satisfies  and  where 1{.} is the indicator function contains 1 if this inequality within brackets holds and zero otherwise. Thus, a set of indices  exists for  matches in both treatment and control units. So, the estimated (treatment and control) outcomes are following.





Thus, under matching, the average treatment effect is,



The above  contains bias that does not disappear with the increase in sample size. To remove bias from matching method, a combination of regression and matching processes is useful. A number of corrections exist to remove bias. Under parametric setting, the way of bias correction is as follows (Rubin (1973), Quade (1982)).

Let, for a single match index,  is equal to . So, the estimated covariates are following in the single match case.





The matching is exact, if  for each unit. If this is not the case, bias will exist and then the gap between  and  can be used in the following OLS regression to correct bias.



In the above regression,  is the bias corrected average treatment effect.

To get an efficient estimate from matching estimators, it is required to increase the number of matches with the increase in the number of sample size. On the other hand, to choose optimal matches, Euclidian metric can be used as a distance metric. A weight matrix is also useful with the distance metric to standardize the covariates. Abadie & Imbens (2002) suggest diagonal matrix of the inverse of the covariate variances as a weight matrix.

**Annex 3: Findings from the Quantitative Surveys: Estimates from the Primary Data**

The present Evaluation Mission has applied substantial attention to rigorously estimating programme effects for which primary survey data are available. The latter relate to UPPR and CHTDF, which have both baseline and end-line surveys. Although there are gaps in these surveys, they permit quantitative impact assessment to a large extent and hence the findings merit separate attention. The results of each of the above programmes are discussed below.

**UPPR:** This was basically an area/zone improvement programme. It dealt with the improvement of the whole community rather than the improvement of just people. It worked in improving settlements of people in urban slums through developing roads, water supply, and sanitation etc. This programme also gave skill enhancement grants to youth so that they can get jobs after getting trainings, provided education grants/scholarships to poor and talent students, and gave small loans to especially women to start their businesses.

Here, we shall try to get answers of our basic research questions – did this programme improve economic growth, inclusive growth, economic opportunities, and measures against shocks? We shall use both quantitative survey data and qualitative data to do the analysis of research questions. However, it is not always possible to use counterfactual method to evaluate the program; because in some quantitative survey data only treatment groups are available but control groups (untreated groups) are missing. In some cases, both treatment and control groups are available, and that’s why we can use a counter factual method. We have baseline survey and post-intervention survey, but we cannot use diff-in-diff type estimator as control groups are missing in both surveys. Besides, questionnaires and household and member IDs are not consistent / same in both baseline and post-intervention surveys. In some cases, base line and end line comparisons are available within only treatment group. Thus, we will use here mixed methods.

However, initially we shall try to show baseline scenarios of urban slums where this programme was operated. The goal of showing baseline scenario is that we will be able to know whether this programme was targeted well (we mean that it was targeted to underdeveloped people). Before showing baseline scenario, we would like to say that this programme was operated in only slums in 29 towns. Among them, Chittagong, Khulna, Bogra, Barishal and Gazipur are the cities where this programme was operated in large volume (see Table 1 in Annex B).

Although UPPR did not work to improve housing conditions or house ownerships of the programme beneficiaries, we just give an idea of housing conditions and house ownerships of beneficiaries. Indeed, housing conditions and ownerships are big problems of slum dwellers. In Table 2 of Annex B, we see that only half of the slum dwellers (52.65%) had ownership of land where they are living. However, in many cases such ownership was also not clear. Sometimes, for many years they were occupying lands and no one was claiming those lands. For example, in 47.87% cases, ownership was a freehold right (see Table 3 in Annex B). Legal tenancy was only in 8.12% cases. Rest of the land ownerships were either illegal or without contract. This is why slum dwellers are always in threatened position of losing their lands/houses. Often they get a rumor that the government will take their lands and will build large buildings for another purpose. This is the main source of their vulnerabilities. We know that slum dwellers are in general poor. Their housing conditions also give an idea of their poverty. In only 5.31% cases was 75% of a house permanent (see Table 4 in Annex B). This figure also indicates the vulnerability of slum dwellers.

As we have said that this programme worked to improve water, sanitation, drainage system and roads of slum dwellers, it is very important to know baseline scenarios of these. Drinking water supply was very poor. 22.29% of people had no drinking water supply within community, around 69% of people had drinking water supply but with sharing, and only 8.83% of people had their own water supply (see Table 5 in Annex B). Sanitation problems were more severe than water. 25.09% of people had no toilet within the community (see Table 6 in Annex B), and had an open defecation system instead. 68.34% of people had shared toilet facilities, and only 6.57% of people had their own toilets. Extremely poor drainage condition is also a scenario in urban slums. There were no drains available in around 78% cases (see Table 7 in Annex B). In only 4.62% cases, drains with good maintenance were available. Road conditions were also very poor. In 29.3% cases, there were no proper roads (see Table 8 in Annex B), and only 12.69% cases had proper roads. Muddy roads created a problem in rainy season. In that season, school-age kids were reluctant to go to school.

UPPR did not work to improve the electricity supply conditions. However, it might be useful to know baseline scenario of electricity supply within slums. Electricity supply was better than other utilities. Around 87% of people had electricity supply (see Table 9 in Annex B). Waste management was extremely poor. This is not surprising, as waste management is also poor even in non-slum / modern areas of cities in Bangladesh. 78.67% of slum dwellers had no waste management services (see Table 10 in Annex B).

As literacy improves in all of Bangladesh, slums are also progressing. In that sense, school enrollment was as expected in slum areas. For example, in the case of 23.92% of slum dwellers, 90% of their kids went schools (see Table 11 in Annex B). For 8.02% of slum dwellers, 25% or less of their kids went to schools. It is necessary to mention that UPPR directly worked to improve the enrollment rate through giving scholarships to students. Besides, its settlement improvement works also helped to increase enrollment rates in schools.

UPPR was also directly involved in increasing employment opportunities through skill enhancement programmes and business loans. In this sense, it directly worked to improve economic growth, inclusive growth, and economic opportunities, as an increase in employment of poor people increases economic growth and inclusive growth. Therefore, we need to know the baseline scenario of employment of slum dwellers. Table 12 in Annex B indicates that employment rate was acceptable in slum areas. In only 5.78% cases were over 50% of families unemployed. Essentially, in slum areas all family members try to contribute to family income. Otherwise, it is difficult for them to survive, since their wage rate is very low given that they are mostly unskilled laborers. UPPR helped people to get relatively high salaried jobs by improving their skills. Its business loans also specifically helped women to have self-employment in tea stalls, vegetable shops, fish sales etc.

In general, the household income of slum dwellers is very low, because as previously mentioned, they mostly do unskilled jobs. In only 14.41% cases, more than 75% of households in a slum had more than 4,000 Taka average monthly incomes (see Table 13 in Annex B). As UPPR directly worked to increase skilled jobs and self-employment, it helped to increase monthly income of slum dwellers. Saving tendency was also poor in slum areas. In only 9.18% of slums, more than 75% of families were involved in community savings and credit activities (see Table 14 in Annex B). UPPR also worked to increase the saving tendency, thus reducing vulnerability, which is a severe problem in slum areas where only 13.51% of people reported that they do not have any risk (see Table 15 in Annex B).

Now we shall discuss whether settlement indicators (e.g. water, sanitation) have improved after the intervention of UPPR. These indicators are part of multidimensional poverty, and these improvements will make sustainable improvement in health, which will in turn improve productivity and then economic growth. In Table 1, we see that settlements (water, sanitation, electricity, drain, and road) have increased (positively changed) substantially in high percentages. Electricity shows relatively modest positive changes as UPPR did not work to increase electricity connection. Moreover, baseline scenario of electricity access was good. However, Table 1 shows changes in settlements by comparing base line and end line settlements of treatment group. Such comparisons definitely show very large changes/improvements, as UPPR directly worked to improve settlements of slum dwellers. Now we have to know how much improvement in settlements can be attributed to UPPR, since slum dwellers themselves may improve their settlements without any external help. For this, we have to subtract such improvements from improvements done by UPPR, to understand the net effect of UPPR on settlements’ improvements. We discuss here such net improvements through counterfactual method, as we have both treatment (treated households by UPPR) and control (untreated households by UPPR) groups, for some settlement indicators shown in Table 1.

Table 1: From base line to end line changes in settlements in treatment group only

|  |  |  |  |
| --- | --- | --- | --- |
|  | Negative change | No change | Positive change |
| Water | 14.44 | 8.75 | 76.81 |
| Sanitation | 13.39 | 26.74 | 59.86 |
| Electricity | 21.9 | 47.84 | 30.25 |
| Drain | 13.07 | 24.32 | 62.61 |
| Road | 21.62 | 12.02 | 66.36 |

In Table 2, we see that the percentage of deep tube well is higher in treatment group (77.65%) than that in control group (70.38%). So tube well or deep tube well increased by 7.27 percentage points. This increase in percentage points is called mean difference or raw differential, as it is estimated by taking difference between outcome means of treatment and control groups. Later, we shall compare raw differentials with estimates from matching estimator, which is a widely used econometric method where assignment variables that affect participation in programme are used to control their effects. However, figures in Table 2 imply that in treatment group other water sources were replaced by a better water source – deep tube well, because two other major sources show negative changes. Thus, we understand that the UPPR programme improved drinking water of slum dwellers. Similarly, we see that treatment group have higher percentage of water sealed/ slab latrine – a better latrine – than control group (see Table 2), and other latrines were replaced by this latrine in treatment group. Water sealed latrine increased by 9.27 percentage points, but pit latrine and open latrine (which are bad and harmful for environment) decreased by 6.93 percentage points and 2.22 percentage points respectively. Again, UPPR improved the latrine of slum dwellers.

Table 2: Improvement of drinking water after intervention of UPPR (Column % below frequencies)

|  |  |  |  |
| --- | --- | --- | --- |
| What is the main source of drinking water? | Control  (1) | Treatment  (2) | Raw Differential  (2)-(1) |
| Piped inside the dwellers | 32 | 63 | 31 |
|  | 12.31 | 6.80 | -5.51 |
| Piped outside the dwellers | 45 | 141 | 96 |
|  | 17.31 | 15.23 | -2.08 |
| Tubewell/ deep tubewell | 183 | 719 | 536 |
|  | 70.38 | 77.65 | 7.27 |
| Pond/canal/lake | 0 | 1 | 1 |
|  | 0.00 | 0.11 | 0.11 |
| Cart with small tank | 0 | 1 | 1 |
|  | 0.00 | 0.11 | 0.11 |
| Water supplier of was | 0 | 1 | 1 |
|  | 0.00 | 0.11 | 0.11 |
| Total | 260 | 926 |  |
|  | 100 | 100 |  |

Table 3: Improvement of toilet after intervention of UPPR (Column % below frequencies)

|  |  |  |  |
| --- | --- | --- | --- |
| What type of latrine do you use? | Control  (1) | Treatment  (2) | Raw differential  (2)-(1) |
| Water sealed/ slab latrine | 164 | 670 | 506 |
|  | 63.08 | 72.35 | 9.27 |
| Pit latrine | 68 | 178 | 110 |
|  | 26.15 | 19.22 | -6.93 |
| Open latrine | 26 | 72 | 46 |
|  | 10 | 7.78 | -2.22 |
| Hanging latrine | 1 | 4 | 3 |
|  | 0.38 | 0.43 | 0.05 |
| No toilet facility | 1 | 2 | 1 |
|  | 0.38 | 0.22 | -0.16 |
| Total | 260 | 926 |  |
|  | 100 | 100 |  |

Table 4 shows improvement of some other settlements (e.g. electricity, arsenic) using counter factual method or raw differentials, which cannot be used for checking improvement of road, drain, and waste management, because these are absent in data where counter factual analysis is possible. However, in Table 4, we see that both treatment and control groups have very high percentages of electricity access. These imply that electricity connections in city areas are in general available. In slum areas, even if legal connections are unavailable, illegal connections are accessible. In baseline scenario, we saw better electricity access of slum dwellers too. Thus, a small raw differential of electricity access (0.16 percentage point) is not surprising. Besides, UPPR did not work to improve electricity access. UPPR tested arsenic in drinking water. Percentages of both arsenic testing and arsenic availability are low in treatment and control groups, because arsenic is a serious problem in some parts of Bangladesh, but not everywhere. However, both arsenic testing and arsenic availability increased by 8.62 percentage points and 2.74 percentage points respectively. UPPR gave educational grants or scholarships to poor and academically talented students. This programme worked to increase literacy rate. Its settlement improvements also helped to increase school enrollment. When we visited Vashantek slum in Mirpur, Dhaka, one lady told us that before the improvement of roads, the slum kids were reluctant to go to school because roads were muddy and very bad for walking. After making those muddy roads “pucca”, kids now run to school with high interest. Thus, literacy rate increased from 78.46% to 96.47% (or by 18.01 percentage points) because of UPPR intervention. In some cases, UPPR worked to improve health of slum dwellers. Besides, its settlement improvements had positive effects on health. However, child mortality was very low in both treatment and control groups. It was supposed to decrease after UPPR intervention, but it increased by 0.51 percentage point, which is likely non-significant.

Table 4: Improvement of other settlements and child mortality

|  |  |  |  |
| --- | --- | --- | --- |
|  | Control  (1) | Treatment  (2) | Raw differential  (2)-(1) |
| Electricity access (yes=1) | 96.92% | 97.08% | 0.16% |
| Arsenic test (yes=1) | 28.85% | 37.47% | 8.62% |
| Arsenic availability (yes=1) | 5.33% | 8.07% | 2.74% |
| Literacy (yes=1) | 78.46% | 96.47% | 18.01% |
| Child mortality (yes=1) | 1.54% | 2.05% | 0.51% |

UPPR gave apprenticeship grants to some young people so that they can improve their skills. These grants helped young people to get skilled jobs. In this way, UPPR worked to improve job opportunities and inclusive growth. Here, we shall check whether job opportunities improved because of apprenticeship grants, but the survey data for this do not allow counterfactual analysis. We have employment data only on treatment group (no control group is available). However, from Table 5, we can have an idea whether job opportunities improved after the UPPR intervention. We see that around 77% of young people got jobs within six months after the apprenticeship training. We see that this was a huge success of the UPPR programme. From the improvement of employment opportunities, we can guess that the income of households also increased. Data reveal that 94% of young people contributed to family income after getting jobs. We need to check how much income increased after the apprenticeship grant, but continuous income data of apprenticeship grant receivers are not available in the survey data. From the survey data, we have generated Figure 1 where frequencies before and after apprenticeship grant are plotted against income range. Before the grant, frequency was the highest in no income level. This means that young people were mostly unemployed before the grant, and their average income was near zero. After the grant, frequency was the highest in 1001-3000 Taka monthly income range, which was the mean income range. Thus, we can argue that household monthly income increased by 1001-3000 Taka because of the apprenticeship grant.

Table 5: Employment opportunities after apprenticeship grant

|  |  |  |  |
| --- | --- | --- | --- |
| What you did within 6 month after getting the apprenticeship grant? | Freq. | Percent | Cum. |
| Unemployed | 39 | 7.75 | 7.75 |
| Got job with the trainer | 207 | 41.15 | 48.91 |
| Got job in other place on the same field | 185 | 36.78 | 85.69 |
| Worked on other sector | 17 | 3.38 | 89.07 |
| Housewife | 19 | 3.78 | 92.84 |
| Others | 36 | 7.16 | 100 |
| Total | 503 | 100 |  |

Figure 1: Frequencies before and after apprenticeship grant, by income range

UPPR also gave block/business grants to women for starting small businesses. In 84.67% cases, they were given the highest grant amount of 5000 Taka (see Table 6). 60% of block grant receivers were either part-time employed, housewife, or unemployed before receiving the grant (see Table 7). 86.48% of grant receivers responded that they did not receive any other grant (e.g. microfinance) before this grant. 93% grant receivers started new businesses or extended existing businesses (for this simple information, no Table is shown, but it comes from the same survey data). It should be noted that most of the businesses fell into informal sectors. In Table 8, we see that the average monthly income increased by 1300 Taka, from 1632.59 to 2932.14, after receiving business/block grant. These results suggest that UPPR made significant contributions in increasing business income of slum dwellers. Thus, UPPR contributed to both inclusive growth and economic growth.

Table 6: Amount of Business grant to women

|  |  |  |  |
| --- | --- | --- | --- |
| Business/block grant | Freq. | Percent | Cum. |
| 3000 | 1 | 0.17 | 0.17 |
| 3200 | 1 | 0.17 | 0.33 |
| 3500 | 4 | 0.67 | 1 |
| 4000 | 19 | 3.17 | 4.17 |
| 4400 | 4 | 0.67 | 4.83 |
| 4500 | 48 | 8 | 12.83 |
| 4600 | 1 | 0.17 | 13 |
| 4700 | 10 | 1.67 | 14.67 |
| 4800 | 3 | 0.5 | 15.17 |
| 4900 | 1 | 0.17 | 15.33 |
| 5000 | 508 | 84.67 | 100 |
| Total | 600 | 100 |  |

Table 7: Employment status of women before receiving the block/business grant

|  |  |  |  |
| --- | --- | --- | --- |
| What were you doing immediately before receiving the block grant? | Freq. | Percent | Cum. |
| Part-time employed | 122 | 22.26 | 22.26 |
| Full-time employed | 85 | 15.51 | 37.77 |
| Self-employed | 84 | 15.33 | 53.1 |
| Unemployed | 35 | 6.39 | 59.49 |
| Student | 2 | 0.36 | 59.85 |
| Housewife | 170 | 31.02 | 90.88 |
| Other | 50 | 9.12 | 100 |
| Total | 548 | 100 |  |

Table 8: Income changes after receiving business/block grant

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Variable | Obs | Mean | Std. Dev. | Min | Max |
| Monthly income before business/block grant | 304 | 1632.59 | 1088.64 | 77 | 6583 |
| Monthly income after business/block grant | 304 | 2932.14 | 1707.18 | 267 | 14167 |
| Difference |  | 1299.55 |  |  |  |

In Table 9, raw differentials and differentials from matching estimators of above key variables are shown with robust t-ratios. It should be noted that we use durable goods, assets, city characteristics, and household characteristics as control variables to run matching estimators. As we discussed before, in the case of employment opportunities and income, we cannot use counter factual method as control group is absent for these two key variables. However, we write just “increase” in 12 months employment, as we saw before that employment opportunities increased because of UPPR. Thus, income also increased. We put the average monthly income range, 1,100-3,000, as raw differential of income. This income range was the average increase of monthly income due to apprenticeship grant. Because of block/business grant, monthly business income of a household increased by 1,300 Taka. This average income increase also belongs to 1,100-3,000. In the case of some other variables, matched differentials are higher than raw differentials, and in the case of some variables, we see opposites. However, raw differentials are not substantially different from matched differentials. We can say that UPPR affected settlements, employment, income, and education of slum dwellers positively.

**CHTDF:** It was a development programme for remote people in Chittagong Hill Tract (CHT) area. Unlike UPPR, it was not a community or zone development programme. It reached out to remote people, who live in hills where many general living facilities (such as electricity, water, communication, agricultural land, normally available in plain land) are unavailable, to develop their living standard. UNDP took a challenge in attempting to reach an area where conflicts between Bengalee and indigenous people are a common scenario. Although conflicts are rarer after the peace accord in 1997, they are still happening there. After a field visit, we have got an impression that UNDP has gained acceptance from the people in CHT, because no entities or the government stood behind these deprived populations before UNDP intervention. Chakma Raja said that there was almost zero development before UNDP intervention. UNDP went to these people with love and care. Along with many development works it also tried to make peace in CHT area. Under this programme, development works include establishing primary schools, training people for several agricultural productions, health improvement activities, encouraging people to save, and giving loans for income generating activities.

Now we shall try to understand the situation of CHT people in 2008 when CHTDF was operated in small scale. This will determine the baseline scenario of CHT people. CHTDF was operated in all three CHT districts – Bandarban, Khagrachari and Rangamati. We see that in table 16 in Annex B, in Bandarban and Khagrachari, indigenous people got more CHTDF coverage than Bengalee people, but the scenario is opposite in Rangamati. This scenario is not surprising, as this programme covered different groups of population proportionately in a district based on their proportions in the whole population in that district. Among indigenous people, Chakma, Marma and Tripura are the highest population in CHT area (see Table 17 in Annex B). Chakma people are concentrated mainly in Rangamati and then Khagrachari, Marma people are mostly concentrated in Bandarban and Khagrachari, and most of the Tripura people live in Khagrachari.

Beside demographic differences in CHT area, there were socio-economic differences between indigenous and Bengalee people. If we look at Table 18 in Annex B, we see that most of the indigenous people (94.18%) were involved in income earning activities, because their women are also active in the job market along with men. On the other hand, Bengalee women are less active in income earning activities. Therefore, the overall participation of Bengalee people in labor market was lower. This difference occurs due to religious factors. Bengalee people in CHT area are mostly Muslims, and Muslim women are in general too conservative to participate in job market. However, more than half of income earners were not active in earning activities all throughout the year (see Table 19 in Annex B). Most women in both groups were irregular in earning activities. From Table 20 in Annex B, we find that Bengalee people were engaged mainly in business, and indigenous people were engaged mainly in farming (both plough and zoom). Thus, it can be easily inferred that indigenous people will have high income from agricultural products, and Bengalee people will have high income from business. In CHT field visit, we have seen that indigenous people bring agricultural products in market where buyers of those products are Bengalee people who sell those products in big cities with high prices. Indigenous people do not get fair prices from Bengalee traders, because they make a syndicate so that no Bengalee buys those indigenous people’s products with high or fair prices. Thus, the data also reveal that Bengalee people have higher total income from all sources than indigenous people. This employment/economic gap is a discriminatory scenario between indigenous people and Bengalee people, and another contributing factor to the lack of integration between them. As a result, any rumor easily creates violence between them. However, UNDP-CHTDF has worked to minimize this economic gap between these two groups. It provided training programmes especially to women to teach them how to grow agricultural products in an efficient way. Many indigenous women learned production of new agricultural items such as mushroom and honey bees. They have found these products as profitable. UNDP-CHTDF provided several supporting material such as seeds, pests, medicines for insects, to increase agricultural productivity. It also helped people in marketing these products.

Educational status was not very different between indigenous and Bengalee people, and in fact was almost balanced between them. In Table 21 in Annex B, we see that more than half of populations in each group were illiterate (e.g. zero years of education). However, Bengalee people finished primary education (Year 5) in relatively high proportions compared to indigenous people. High school (and above), the participation of indigenous people was slightly higher than that of Bengalee people. It should be noted that UNDP-CHTDF intervened to reduce mainly illiteracy. It worked to increase primary education. It built many primary schools. For example, only in Rangamati district, it established 86 schools, which are run by UNDP-CHTDF. Among them, 3 schools were handed over the government.

Indigenous people had poor health awareness compared to Bengalee people. 57.86% of indigenous people did not know where to go if ill against 40.31% of Bengalee people (see Table 22 in Annex B). Both groups mainly went to upazilla health complex. However, poor health awareness of indigenous people implies that they live in remote area, and they did not know where health service providers were located. This is not surprising. One CHTDF workers told us that many indigenous people, who live in remote hills, never came out of their area in their whole life. UNDP-CHTDF reached to those people with health services. UNDP has done a great job in health service. In the field visit, we heard that there was a diarrhoea prone area called Sadek. After UNDP-CHTDF intervention, that area became 100% diarrhoea free area. It is an unbelievable success.

Now, we shall examine whether this CHTDF programme affected economic growth, inclusive growth and economic opportunities positively. Basically, we shall check from survey data whether education, health, income and employment have improved after the intervention of this programme. If these improved due to this programme, we can then claim that economic growth, inclusive growth and economic opportunities were affected positively due to this programme. CHTDF conducted a post-intervention quantitative survey in 2012 on treatment/intervention group (treated group), control group (untreated group who are located in the area of treatment/intervention group), and non-implementation group (untreated group who are located not in the area of treatment/intervention group, located in other area). As control group are located in the area of treatment/intervention group, control group are supposed to be the close counterfactual group of treatment/intervention group, because it is a high chance that pre-intervention characteristics of both groups will be similar. If we compare outcome variables between these two groups, we will get relatively unbiased results. On the other hand, non-implementation group are located in other area, and thus their pre-intervention characteristics are supposed to be different from treatment/intervention group. It might be the case that before intervention of CHTDF non-implementation group were better in socio-economic conditions than treatment/intervention and control groups. So, it will not be surprising if we see that non-implementation group have better outcomes than treatment/intervention and control groups.

In Table 8, we compare changes in education between indigenous and Bengalee people, due to the intervention of CHTDF. Compared to both control and non-implementation groups, after intervention we see that illiteracy or zero year of education has reduced in both groups of people (indigenous and Bengalee). After intervention, illiteracy has reduced from 57.36% to 43.74% in indigenous people, and from 36.23% to 34.27% in Bengalee people, if we compare intervention groups with control groups. We find that this CHTDF programme has got a great success in education of indigenous people compared to Bengalee people. If we even compare intervention groups with non-implementation groups, we find that the rate of illiteracy reduction is higher in indigenous people than Bengalee people. If we compare intervention group with control group, indigenous people have improved in almost all other years of education. This means that in almost every education level percentage of indigenous people is higher in intervention group than control group. However, if we compare intervention group with non-implementation group, we see that after intervention of CHTDF indigenous people have experienced relatively less success, as in some education levels percentage of educated indigenous people are higher in non-implementation group than intervention group. Similar scenario is seen in Bengalee people especially in primary education. As we have mentioned, these results indicate that non-implementation group in both indigenous and Bengalee people are already better in socio-economic conditions without CHTDF intervention. That’s why, CHTDF programme did not provide any treatment to non-implementation group. This implies that the targeting of CHTDF was very well. However, in Bengalee people, from 1-4 years of education percentage of educated people are higher in control group than intervention group, but CHTDF has made a great success in the completion of primary education of Bengalee people, as in 5 years of education percentages of educated people are 12.09% in intervention group and 9.50% in control group. Although CHTDF intervention was for only primary education, in the case of above primary education we also see that percentages of educated people are often higher in intervention group than control group. This story is mostly true in indigenous people. Above all, we can say that CHTDF programme has improved education level of CHT people. Although there is a concern whether primary schools established by UNDP-CHTDF will be closed after closing the programme, we see that there is a sustainable effect on education, as education levels have increased beyond UNDP intervention.

Table 10: Education by Ethnicity and treatment-control groups

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Completed  Education | Indigenous | | | | | | Bengalee | | | | | |
| intervention | | control | | non-implementation | | intervention | | control | | non-implementation | |
| Freq. | % | Freq. | % | Freq. | % | Freq. | % | Freq. | % | Freq. | % |
| 0 | 1643 | 43.74 | 947 | 57.36 | 836 | 50.30 | 1057 | 34.27 | 492 | 36.23 | 492 | 38.32 |
| 1 | 170 | 4.53 | 63 | 3.82 | 80 | 4.81 | 171 | 5.54 | 76 | 5.60 | 67 | 5.22 |
| 2 | 187 | 4.98 | 80 | 4.85 | 72 | 4.33 | 170 | 5.51 | 88 | 6.48 | 86 | 6.70 |
| 3 | 188 | 5.01 | 63 | 3.82 | 75 | 4.51 | 170 | 5.51 | 92 | 6.77 | 86 | 6.70 |
| 4 | 202 | 5.38 | 69 | 4.18 | 106 | 6.38 | 204 | 6.61 | 87 | 6.41 | 105 | 8.18 |
| 5 | 202 | 5.38 | 85 | 5.15 | 91 | 5.48 | 373 | 12.09 | 129 | 9.50 | 145 | 11.29 |
| 6 | 133 | 3.54 | 43 | 2.60 | 52 | 3.13 | 170 | 5.51 | 83 | 6.11 | 43 | 3.35 |
| 7 | 153 | 4.07 | 53 | 3.21 | 54 | 3.25 | 188 | 6.10 | 74 | 5.45 | 69 | 5.37 |
| 8 | 220 | 5.86 | 57 | 3.45 | 50 | 3.01 | 215 | 6.97 | 73 | 5.38 | 71 | 5.53 |
| 9 | 240 | 6.39 | 84 | 5.09 | 120 | 7.22 | 162 | 5.25 | 71 | 5.23 | 51 | 3.97 |
| ssc | 243 | 6.47 | 56 | 3.39 | 66 | 3.97 | 119 | 3.86 | 54 | 3.98 | 36 | 2.80 |
| hsc | 72 | 1.92 | 16 | 0.97 | 23 | 1.38 | 41 | 1.33 | 16 | 1.18 | 20 | 1.56 |
| degree (pass) | 17 | 0.45 | 5 | 0.30 | 3 | 0.18 | 11 | 0.36 | 6 | 0.44 | 2 | 0.16 |
| degree (honors) | 1 | 0.03 | 2 | 0.12 |  |  |  |  |  |  | 2 | 0.16 |
| masters | 5 | 0.13 | 1 | 0.06 |  |  | 2 | 0.06 | 1 | 0.07 | 2 | 0.16 |
| Literate (can read write and keep accounts) | 80 | 2.13 | 27 | 1.64 | 34 | 2.05 | 31 | 1.01 | 16 | 1.18 | 7 | 0.55 |
| Total | 3,756 | 100 | 1,651 | 100 | 1,662 | 100 | 3,084 | 100 | 1,358 | 100 | 1,284 | 100 |

We find that on average total gross and net incomes (which are summations of all sources of earnings) have increased after the intervention of CHTDF (see Table 11). This is true in both ethnic groups (indigenous and Bengalee), as intervention group under both ethnic groups have higher average (gross and net) incomes than control group and non-implementation group. It should be noted that Table 11 says that non-implementation group is poorer than control group in almost all cases, but in the previous table we got different scenario. Whatever, these incomes’ growths after the intervention of CHTDF imply that CHTDF made economic opportunities for treatment/intervention group, who were basically disadvantaged group. Table 12 shows that employment increased in all cases in indigenous group, but in Bengalee group it increased only if we compare treatment with control. Thus, we can claim that CHTDF was successful in increasing inclusive growth. We can also say that CHTDF worked in reducing poverty in CHT area. Table 13 also supports that poverty rate has decreased in both ethnic groups if we compare intervention group with control group. Only in Bengalee people, poverty rate was higher in intervention group than non-implementation group. This result implies that Bengalee people in non-implementation group were better in socio-economic conditions.

Table 11: Average yearly household per capita gross and net incomes by ethnicity and treatment-control groups

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Indigenous | | Bengalee | |
|  | Gross income | Net income | Gross income | Net income |
| Intervention | 29,406 | 21,231 | 36,915 | 22,768 |
| Control | 27,655 | 19,478 | 35,736 | 21,031 |
| Non-implementation | 25,345 | 18,972 | 28,609 | 21,709 |

Table 12: Employment rate by ethnicity and treatment-control groups

|  |  |  |
| --- | --- | --- |
|  | Indigenous | Bengalee |
| Intervention | 78.36% | 80.57% |
| Control | 73.26% | 77.58% |
| Non-implementation | 77.60% | 82.88% |

Table 13: Poverty rate (based on lower poverty line) by ethnicity and treatment-control groups

|  |  |  |
| --- | --- | --- |
|  | Indigenous | Bengalee |
| Intervention | 43.73% | 42.21% |
| Control | 56.14% | 48.04% |
| Non-implementation | 47.62% | 39.15% |

Literature says that an increase in income may raise consumption and then calorie consumption. In Table 14, we see that food availability in the last month was higher in intervention group than non-implementation group, because the percent of “yes” response was higher in intervention group than non-implementation group. This is true for both ethnic groups. In indigenous group, the percent of “yes” response was also higher in intervention group than control group, but this is not true in Bengalee people. However, on average we can say that after the intervention of CHTDF consumption of CHT people has increased. In other words, well-being of CHT people has increased after CHTDF intervention.

Table 14: Whether food was available in the last month (row % below frequency)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Indigenous | | | Bengalee | | |
|  | Yes | No | Total | Yes | No | Total |
| Intervention | 631 | 119 | 750 | 378 | 200 | 578 |
|  | 84.13 | 15.87 | 100 | 65.40 | 34.60 | 100 |
| Control | 258 | 84 | 342 | 199 | 82 | 281 |
|  | 75.44 | 24.56 | 100 | 70.82 | 29.18 | 100 |
| Non-implementation | 257 | 58 | 315 | 147 | 111 | 258 |
|  | 81.59 | 18.41 | 100 | 56.98 | 43.02 | 100 |

In the baseline, we saw that compared to Bengalee people indigenous people had very poor awareness about health service providers. This is still true in post-intervention survey data. However, after CHTDF intervention, awareness has increased in high rates in indigenous people. In Table 15, we see that when a question, whether you know upazilla health complex, was asked, 76.45% of indigenous people under intervention group responded “yes”, compared to 67.27% of indigenous people under control group and 59.33% of indigenous people under non-implementation group. On the other hand, per cent of “yes” responses among Bengalee people under intervention group was slightly higher than that of “yes” responses among Bengalee people under control group, but was slightly lower than that of “yes” responses among Bengalee people under non-implementation group. From this scenario, we can say that CHTDF has improved health of CHT people.

Table 15: Percent of yes responses when asked whether you know upazilla health complex, by ethnicity and treatment-control groups

|  |  |  |
| --- | --- | --- |
|  | Indigenous | Bengalee |
| Intervention | 76.45% | 76.79% |
| Control | 67.27% | 72.46% |
| Non-implementation | 59.33% | 78.74% |

As CHTDF involved women in income generating activities and helped them to increase awareness, women empowerment in CHT area was likely to increase. In CHTDF survey data, there are nine women empowerment indicators (with 1 yes 0 no) such as freedom of assembly, freedom of association, freedom of movement, voting right, and political awareness. We add them to make women empowerment index, which ranges from 0 to 9. In Table 16, we see that the average women empowerment index has increased in all cases in indigenous group after having intervention of CHTDF. From control to intervention group, it has increased by 1, but it has increased by 2 when intervention group is compared with non-implementation group. So, in indigenous community, women empowerment has sharply increased after CHTDF intervention. But in Bengalee community, the increase in women empowerment has been weak. Between intervention and control groups, there has been no change in women empowerment. It has improved by 1 if intervention group is compared with non-implementation group. The likely reason of weak improvement of women empowerment in Bengalee community is that Bengalee women are mostly Muslims who are in general conservative.

Table 16: Means of women empowerment index by ethnicity and treatment-control groups

|  |  |  |
| --- | --- | --- |
|  | Indigenous people | Bengalee |
| Intervention | 5 | 4 |
| Control | 4 | 4 |
| Non-implementation | 3 | 3 |

Although CHTDF did not work to improve settlement conditions of CHT people, because of economic progress done by CHTDF, settlement conditions have clearly increased in indigenous people (see Table 17). Water sealed latrine, tube well and electricity access have increased in all cases (if we compare between intervention and control groups, and between intervention and non-implementation groups). In Bengalee community, settlement indicators have increased in most of the cases. The increase in electricity access is substantially high both in indigenous group and Bengalee group.

Table 17: Settlement conditions by ethnicity and treatment-control groups

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Indigenous | | | Bengalee | | |
|  | Intervention | Control | Non-implementation | Intervention | Control | Non-implementation |
| Water sealed latrine (yes=1) | 28.04% | 14.55% | 24.59% | 26.33% | 25.09% | 32.03% |
| Tube well (yes=1) | 52.67% | 38.60% | 40.32% | 74.39% | 76.51% | 55.81% |
| Electricity (yes=1) | 47.00% | 29.53% | 26.84% | 54.33% | 34.16% | 44.96% |

In narrow views, after CHTDF intervention indigenous people have clearly improved in health, education, income, consumption and poverty. Bengalee people have also improved but not as clear as indigenous people. Differences in improvement between indigenous and Bengalee may raise questions about UNDP’s biasedness to indigenous people. In the field visit, we also got the same message. Food and Agriculture Organization (FAO) officials told us that CHTDF worked very well at the beginning. But slowly frustration, mismanagement and many problems arose, and Bengalee people were claiming that CHTDF is basically working for indigenous people. However, from our point of view we say that CHTDF was not biased to indigenous people. As they were poorer (more disadvantaged) than Bengalee, CHTDF probably helped them more, and it is natural. Thus, it is not a right claim that CHTDF played a biased role to indigenous people.

Up to now, we have made our arguments based on summary statistics or raw data, which are considered as less reliable, because they can be biased as some control or observed variables may affect the participation of CHT households into CHTDF programme. To remove bias, we use matching estimator which control those observed variables. In Table 18, we show both raw differentials and differentials or treatment effects estimated by matching estimator where household size, age, sex, landholding, travel time from house to city are used as control variables. We have estimated two types of raw differentials – Raw1 and Raw2, which estimate just mean differences of outcomes between intervention and control groups, and between intervention and non-implementation groups respectively. Similarly, Matched1 and Matched2 are two matching estimators where treatment dummies are different. In estimating treatment effects under Matched1 (Matched2), we generated a treatment dummy where 1 implies intervention group and 0 implies control group (where 1 implies intervention group and 0 implies non-implementation group). In table 18, we basically compare raw differentials with treatment effects estimated by matching estimator. More precisely, we emphasize comparison of results between RAW1 and Matched1, because in these cases both treatment and control groups lived in a same community/area, and thus, results are reliable. However, Matched1 will be more reliable.

In Table 18, we see that raw differentials are different from average treatment effects estimated by matching estimator. Sometimes their differences are very high and sometimes low. However, if we compare estimates between indigenous and Bengalee, again we see that CHTDF had stronger effects on indigenous group than Bengalee people, because variables under indigenous group changed consistently in almost all cases, but in several cases results under Bengalee people vary even from positive to negative. Besides, in most of the cases, CHTDF had higher effects on indigenous group than Bengalee group, because results under indigenous group are higher than that under Bengalee people in most of the cases. So, again we can say that even matching estimators ensure that CHTDF had stronger effects on indigenous people, and we say again that UNDP was not biased to them.

Table 18: Raw differentials and differentials from matching estimators of above CHTDF variables

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Indigenous | | | | Bengalee | | | |
|  | Raw1 | Matched1 | Raw2 | Matched2 | Raw1 | Matched1 | Raw2 | Matched2 |
| Literacy (yes=1) | 13.62%  (9.30) | 7.21%  (4.62) | 6.56%  (4.48) | 4.23%  (3.23) | 1.96%  (1.26) | 0.64%  (0.40) | 4.04%  (2.55) | -2.22%  (-1.18) |
| Gross income (Taka/hh/year) | 1,751  (1.52) | 2,161  (1.58) | 4,060  (3.23) | 2,866  (2.22) | 1,180  (0.55) | 3,347  (1.74) | 8,306  (4.54) | 11,936  (6.52) |
| Net income (Taka/hh/year) | 1,754  (2.19) | 1,831  (2.28) | 2,259  (2.46) | 1,929  (2.08) | 1,737  (1.24) | 3,231  (2.74) | 1,060  (0.87) | 4,514  (2.74) |
| Employment (yes=1) | 5.10%  (3.38) | 3.70%  (2.86) | 0.75%  (0.51) | -0.54%  (-0.39) | 3.00%  (1.82) | 3.63%  (2.66) | -2.30%  (-1.39) | -1.18%  (-0.66) |
| Poverty rate | -11.28%  (-6.39) | -9.10%  (-2.59) | -5.15%  (-2.90) | -4.61%  (-1.23) | -7.22%  (-3.53) | -13.69%  (-3.88) | 3.12%  (1.48) | -6.54%  (-1.03) |
| Food availability (yes=1) | 7.85%  (5.40) | 5.55%  (1.71) | 3.64%  (2.65) | 2.04%  (0.72) | -5.89%  (-3.15) | -3.38%  (-0.87) | 6.44%  (3.12) | 9.08%  (1.81) |
| Health awareness (yes=1) | 6.03%  (3.66) | 4.85%  (1.39) | 12.88%  (7.55) | 16.61%  (5.53) | 5.21%  (2.90) | 4.31%  (1.13) | 0.14%  (0.08) | -3.01%  (-0.87) |
| Women empowerment index (0 to 9) | 1.06  (10.17) | 0.80  (3.41) | 1.76  (19.88) | 1.92  (10.01) | 0.63  (6.56) | 0.73  (3.72) | 1.04  (12.43) | 0.53  (2.86) |
| Water sealed latrine (yes=1) | 15.18%  (10.84) | 10.60%  (3.41) | 3.06%  (1.89) | 4.43%  (1.18) | 1.16%  (0.63) | -0.81%  (-0.22) | -10.02%  (-4.96) | -18.30%  (-4.28) |
| Tube well (yes=1) | 11.52%  (6.51) | 4.81%  (1.48) | 14.30%  (8.19) | 6.85%  (2.04) | -2.83%  (-1.60) | -6.18%  (-1.80) | 14.66%  (7.19) | 4.69%  (1.21) |
| Electricity (yes=1) | 18.81%  (11.05) | 14.13%  (3.84) | 18.33%  (10.76) | 24.48%  (7.05) | 21.95%  (11.02) | 19.73%  (5.25) | 9.58%  (4.52) | 4.02%  (0.72) |

**Note:** Numbers in parentheses are t-ratios estimated using robust standard errors. Raw1 and Raw2 are raw differentials or mean differences of the outcome variables between intervention and control groups, and between intervention and non-implementation groups respectively. Matched1 and Matched2 are estimates of treatment effects of CHTDF on the outcome variables. They are estimated using matching estimator where household size, age, sex, landholding, travel time from house to city are used as control variables. In the case of Matched1 (Matched2), treatment effects are estimated by comparing between intervention and control groups (intervention and non-implementation groups).

In Table 19, we have estimated raw differentials and treatment effects by matching estimator, disregarding ethnic groups, and then we compare results with national level changes. We find mixed impression from such comparisons. It should be noted that we are unable to check over time changes of variables in CHT area, as we do not have data. Therefore, our comparisons with national level changes are little bit vague. Our results of raw differentials and treatment effects basically imply the effect of CHTDF on CHT people. However, compared to national level changes, some variables show higher growth after CHTDF intervention. This is mostly true for indigenous people if we look at Table 18. Compared to national level changes, indigenous people faced higher growth in several of their variables. So, again we say that CHTDF has achieved a great success in CHT area.

Table 19: Raw differentials and differentials from matching estimators of above CHTDF variables

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | CHTDF | | | | National (HIES 2010 -HIES2005) |
|  | Raw1 | Matched1 | Raw2 | Matched2 |
| Literacy (yes=1) | 8.35%  (7.76) | 4.25%  (3.91) | 5.60%  (5.17) | 3.43%  (3.40) | 6.01% |
| Gross income (Taka/hh/year) | 1,375  (1.18) | 3,259  (2.72) | 5,859  (5.41) | 6,021  (5.86) | 10,238 |
| Net income (Taka/hh/year) | 1,722  (2.25) | 2,507  (3.68) | 1,696  (2.27) | 2259  (2.93) |  |
| Employment (yes=1) | 4.19%  (3.76) | 4.33%  (4.41) | -0.41%  (-0.37) | -0.42%  (-0.43) | 5.7% |
| Poverty rate | -9.53%  (-7.12) | -13.36%  (-5.08) | -1.87%  (-1.37) | -4.85%  (-1.62) | -7.5% |
| Food availability (yes=1) | 1.88%  (1.62) | 0.56%  (0.24) | 4.20%  (3.49) | 5.58%  (2.13) |  |
| Health awareness (yes=1) | 5.69%  (4.68) | 6.73%  (2.69) | 7.73%  (6.17) | 9.57%  (4.14) |  |
| Women empowerment index | 0.87  (12.08) | 0.75  (4.82) | 1.46  (23.40) | 1.41  (11.48) |  |
| Water sealed latrine (yes=1) | 9.10%  (8.06) | 7.33%  (2.85) | -2.38%  (-1.87) | -5.40%  (-2.17) | 10.25% |
| Tube well (yes=1) | 5.34%  (4.02) | -0.40%  (-0.16) | 15.09%  (11.16) | 9.41%  (3.59) | -1.53% |
| Electricity (yes=1) | 20.18%  (15.55) | 17.25%  (6.09) | 15.06%  (11.21) | 12.01%  (4.04) | 10.56% |

**Note:** Numbers in parentheses are t-ratios estimated using robust standard errors. Raw1 and Raw2 are raw differentials or mean differences of the outcome variables between intervention and control groups, and between intervention and non-implementation groups respectively. Matched1 and Matched2 are estimates of treatment effects of CHTDF on the outcome variables. They are estimated using matching estimator where household size, age, sex, landholding, travel time from house to city are used as control variables. In the case of Matched1 (Matched2), treatment effects are estimated by comparing between intervention and control groups (intervention and non-implementation groups).

**Annex 4: Data Review Report**

After randomized control trial, a suitable econometric analysis is the rigorous way to evaluate any program on related outcome variables. Such analysis is not possible without having suitable quantitative survey data. Widely econometric techniques such as propensity score matching, difference-in-difference estimator, instrumental variable regression and regression discontinuity design are used to estimate average treatment effect of a program on any outcome variable. To use these techniques in program evaluation, we need at least an endline quantitative survey with treatment group (beneficiaries of a program) and control group (non-beneficiaries of a program). Both groups should have similar baseline characteristics to get unbiased estimate of treatment effect. To use difference-in-difference estimator, we need also a baseline quantitative survey with the same treatment group and control group. That means that we should have two years of panel survey with same households both in baseline and endline surveys. Difference-in-difference estimator can also be used for more than two years of panel survey. However, this technique gives us results of the overtime changes of outcome variables due to the intervention of a program. Such overtime changes cannot be found in other cases.

As UNDP wants to see the overtime changes/improvements of CPD outcome-2 variables such as employment, education and income, from 2011 to 2016 (in most of the cases), due to their interventions, we should apply difference-in-difference estimator with baseline surveys in 2011 and an endline surveys in 2016, or a midline surveys as we are behind 2016. However, UNDP does not have any quantitative survey for its most of the programs. Although there are some programs (e.g. SSIP, aid effectiveness) to strengthen the efficiency of the government mechanism where quantitative survey was not possible, UNDP could have done both baseline and midline/endline quantitative surveys for UPPR, CHTDF and SWAPNO, with treatment and control groups. In the case of UPPR and CHTDF, both baseline and midline survey data are available but households are not same in both baseline and midline surveys. So, we cannot use difference-in-difference estimator to evaluate the programs. SWAPNO is relative new program, and thus, it has no mid-line/end-line survey. We have not got any baseline survey of it too. Basically, we cannot evaluate SWAPNO with quantitative analysis.

In midline survey of UPPR, control group is, in general, not available. The survey was done only on treatment group. However, some beneficiary households (treatment group) did not get benefits of all components of the program. For example, some households receive benefits of installing water supply, but they do not receive any benefit of improving sanitary latrine or business grant. So, those households can be treated as control group for those outcomes, from which they did not receive any benefits. Thus, we have been able to apply matching estimators to evaluate UPPR on some outcome variables (e.g. water, sanitation, electricity), but we are unable to estimate treatment effects of UPPR on income and employment, which are crucial variables of inclusive growth, which is the main CPD outcome-2. Income and employment data are available for those beneficiaries who got business or apprenticeship grant, however not in continuous form (in band/range form). Although we can infer that household income has increased (but cannot infer how much increased) after getting business or apprenticeship grant by household members, there are no income and employment data in household level from which we can infer the overall improvement of income and employment of a household due to UPPR. There are no data on vulnerability, women empowerment and food security at least in suitable form. Thus, we can say that UPPR survey data is very poor to evaluate UPPR on CPD outcome-2.

CHTDF survey data is relatively better than UPPR data. As we have already mentioned, there are no treatment and control groups defined in baseline survey of CHTDF. However, midline survey administrators of CHTDF have intentionally kept treatment and control groups in that survey. They have also surveyed on non-intervention group. Although both control and non-intervention groups are untreated by CHTDF, there is a little difference in control and non-intervention groups. Non-intervention group is from that area of CHT where any intervention of CHTDF has not been taken. On the other hand, control group is from that area where some households are treated by CHTDF. So, we have been able to apply matching estimators in evaluating CHTDF on all relevant outcomes (e.g. income, employment, education, women empowerment, food security) even in a better way as we have been able to compare treatment group outcomes with that of control and non-intervention groups. Data collection is also very good. For example, income data is collected in household level in recall method. All other variables are also collected in household level. In all variables, the number of households (sample size) is also same. In the case of UPPR, that is not same for all variables. Summary of data review of UPPR and CHTDF is presented in Table 1.

However, as we have said, survey data of both UPPR and CHTDF are not useful to apply difference-in-difference estimator, which is the intended model of evaluation according to UNDP’s demand (e.g. to compare 2016 outcomes with 2011). Our suggestion to UNDP is to design a baseline survey with treatment and control groups before implementing any (direct intervention) program. And then UNDP needs to do a midline or endline survey on the same treatment and control groups available in the baseline survey. In the case of macro programs (e.g. SSIP, Aid Effectiveness), it is very difficult to evaluate them. However, UNDP can make baseline and intervention surveys of service deliveries of line ministries which are related with these programs. Improvement of efficiency of services deliveries will give an idea about the impact of these programs. As UNDP data are not suitable for effectiveness analysis, and then it is not possible to make a rigorous cost-benefit analysis, because to estimate benefit is very difficult then.

**Table 1: Summary of data review**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Program Name (UPPR/ CHTDF/ etc.)  Note: This should be done for all the programs | Whether Quantitative Data Available (example: income, expenditure, assets, employment) | Whether Focused on Rural/ Urban  Areas | Any Indicators for Monitoring “Inclusiveness”: Whether Focused on Extreme Poverty | Any Indicators for Monitoring “Inclusiveness”: Whether Focused on Socially Marginalized Groups | Any Indicators for Monitoring “Inclusiveness”: Whether Gender-Disaggregated Data Available | Any Indicators for Monitoring “Inclusiveness”: Whether Focused on Spatially Poor Areas | Any Indicators for Monitoring “Economic Opportunities” (example: SLCI index) | Any Indicators for Monitoring “Vulnerability to Shocks” (example: propensity to health shocks, climate shocks; risks-insurance) | Type of Data (code: only baseline=1; baseline and mid-line=2) | Quality of Evaluation (information is available only treatment group=1; treatment and control group =2) |
| UPPR | 1. A complete income data is not available by source, household members, and household itself. In a household, members earn from wages, business income, cash/income transfer etc.; household earns from selling assets, land etc. Just like Household Income and Expenditure Survey (HIES) or any standard survey, income data has to collect from these sources. But in UPPR survey data, no household income data is available. Income data is available for only those members who took apprenticeship grant and business/block grant. However, range of income (e.g. 0-1000, 1001-3000) is available for apprenticeship grant receivers. From such a range, we cannot know the actual income. For business/block grant receivers, actual income (not in a range) is available, which is relatively good. But grant receivers are few in data (around 400), and there is no income data for control group who did not receive grants.  2. Expenditure is also not available by item and household. Only one expenditure is available, which is not regular expenditure. For example, those who got block/business grants were asked how much expenditure you did when you started your business. This is also not current expenditure. The standard or widely accepted way of collecting expenditure data is diary method, which maintains a diary for every household to collect data on how much expenditure a household does in items within one week, two weeks or so. Sometimes, expenditure data are collected by recall method. In this method, every household is asked how much expenditure you did within one week, two weeks or so. In recall method, respondent of household has to recall item wise expenditure of household, which contains measurement error, because he/she may mistake when recalling expenditure. On the other hand, in diary method, household writes every expenditure whenever it is made, but definitely within the diary maintaining time. This method has less measurement error of expenditure. UNDP should use this method for collecting expenditure data. Otherwise, it is difficult to identify any improvement of household expenditure due to UNDP intervention. In other words, estimation of expenditure change/improvement will have huge bias/error.  3. Asset data is also not available in wide range. In general, assets include land, house, gold, durable goods, financial assets etc. Any standard survey like HIES also collects them as assets. However, in UPPR survey, only durable goods such as television, radio are available as assets.    4. Employment data is very poor. In the baseline survey, employment data is available by slum. Such data is also available in bad form. For example, question like whether over 50% families are unemployed was asked. Such question does not give unemployment or employment rate. In the post-intervention survey, employment rate is not available. Only apprenticeship and block/business grant receivers were asked what are their occupations after grant receive. This information does not give employment rate. Moreover, response rate is very low. For example, only 83 block/business grant receivers responded about their occupations. UNDP should collect employment data for all members in a household. From both treatment and control group, such data needs to be collected to do proper impact evaluation. | Urban Only | Focused on both poor and extreme poor | Slum dwellers | Yes, only education is gender-differentiated. | Yes, in slum areas. | Yes (example: community level savings and credit information are available) | No clear awareness about this dimension. Households were asked about their vulnerability status. They replied that disability, schedule caste, female headedness etc. are their source of vulnerability. | Information on baseline and mid-line data is available, but not same households are surveyed. For some settlement indicators such as water, sanitation, roads, drains are available for same household in both baseline and end-line surveys. | Information on both treatment and control groups are available for some settlement indicators, but not for all others. |
| CHTDF | 1. Income data by source and household are available in both of baseline and post-intervention surveys. However, households are not same in both surveys. 2. Item and household wise expenditure is available in baseline survey, but not in post-intervention survey. 3. Asset by household and item is available in baseline survey, but not in post-intervention survey. 4. Employment data is available in baseline and post-intervention surveys. | Rural Only | Focused on poor and extreme poor. | Yes, Adibhashis or indigenous people. | Yes | Yes, in CHT/ remote area. | Yes (example: community level savings and credit information are available) | Yes (domestic violence related information is collected) | Both baseline and post-intervention surveys are available. But households are not same in both surveys. Indicators are not consistently available in both surveys. | In this data, both treatment and control groups are available for most of the important variables such as income, employment, education, health awareness. |

1. The present evaluation will focus on 9 anti-poverty interventions at various levels. The key features of these interventions have been described in Section 3. [↑](#footnote-ref-1)
2. CDMP and CHTDF projects are examples of multi-prong initiatives in case of natural shocks and conflict shocks, respectively. [↑](#footnote-ref-2)
3. Specifically, it aspired to engage more frontally the planning capacity and policy analytic tools via projects such as MDG monitoring, NSPS, and capacity building through SSIP. In the area of social protection, UNDP’s policy advocacy role was particularly noticeable (see, Rahman et al. 2014). [↑](#footnote-ref-3)
4. See the discussion in UNDP (2011a). [↑](#footnote-ref-4)
5. The map primarily indicates programmes operating since 2011, however it does include REOPA which formally finished in 2011, superseded by SWAPNO. [↑](#footnote-ref-5)
6. Dinajpur, Rangpur, Noagaon, Nababganj, Rajshahi, Kushtia, Bogram Sirajgarj, Tangail, Mymenshingh, Gazipur, Savar, Dhaka, Narayanganj, Comilla, Habiganj, Sylhet, Chittagong, Gopalganj, Barisal, Jessore, Khulna. [↑](#footnote-ref-6)
7. UNDP contributed USD 3 million, DFID contributed GBP 60 million. [↑](#footnote-ref-7)
8. Barguna, Feni, Habiganj, Narsingdi, Satkhira and Sirajganj.

   [↑](#footnote-ref-8)
9. In REOPA this was initially a four year period, but it has gradually been reduced and is now 18 months under SWAPNO. [↑](#footnote-ref-9)
10. Kurigram and Satkhira. [↑](#footnote-ref-10)
11. The largest of which are the Chakma, Marma and the Tripura. [↑](#footnote-ref-11)
12. UNDP, through the CHTDF, is directly responsible for managing the programme under UNDP’s Direct Execution/Direct Implementation procedures. UNDP is the Executing Agency while CHTDF is the implementing agency. [↑](#footnote-ref-12)
13. The project was initially intended to run between 2009 and 2011 with a budget of USD 4,174,583. A no-cost extension was given in 2011 until 2013 when the project was extended again to 2018. The current project is AFSP II (2013-2018). [↑](#footnote-ref-13)
14. The project was initially approved for the period 2009 to 2013, but received a two year no-cost extension to September 2015, see: CHTDF (2015: 6). [↑](#footnote-ref-14)
15. The term “project” is applied to here to denote a single project or an ensemble of projects (programmes) i.e. conceptually defined as single intervention or multiple interventions, simple or complex interventions, and short-term or long-term interventions. Consequently, the terms project and programme beneficiaries are used often interchangeably in this report. [↑](#footnote-ref-15)
16. Table 3 only provides an illustration for the effectiveness dimension. Similar exercises need to be carried out for the other evaluation questions decomposing them into the suitable gradients of empirically—in quantitative and qualitative terms—measurable indicators. [↑](#footnote-ref-16)
17. See particularly SDGs 8, 9, 10, 11 and 16. Also see the discussion in Section 2 of this report about different types of inequality. [↑](#footnote-ref-17)
18. To this end, the Evaluation Team has undertaken field visit to three selected program areas that merit more attention in terms of their higher relative weight in the overall UNDP’s resource commitments: (a) UPPR (end-September, 2015); (b) CHTDF (early October 2015); and Swapno (middle of October 2015). In each of the areas, the Evaluation Team met with diverse stakeholders ranging from the direct beneficiaries of the programs (including non-beneficiaries), central and local government functionaries, local NGOs, private sector, civil society (including media) and other development partners. While these three programs were subjected to more detailed explorations, efforts were also made canvass opinions of various stakeholders (academics, policy makers, development partners, NGOs and program implementers) about other macro or policy programs that have been included under the present evaluation. The list of such meetings has been included in the Annex # [↑](#footnote-ref-18)
19. Bearing in mind the significance of the SDGs in future planning, it is also possible to identify a shift already occurring within existing poverty-related programmes towards a much stronger emphasis on climate resilience and reducing environmental vulnerability. This shift, evident within UPPR, SWAPNO, SPPS, and the AFSP, is also complemented by other projects designed to reduce the vulnerability of communities to environmental shocks managed by the CCED Cluster, namely Coastal Afforestation and CDMP. However, this aspect of environmental compliance remains a topic of special enquiry beyond the scope of the present evaluation. [↑](#footnote-ref-19)
20. Nazme Sabina and Kirti Nishan Chakma (June, 2015), Promotion of Development and Confidence Building in the Chittagong Hill tracts – Final Report, Submitted to CHTDF, p. 42. [↑](#footnote-ref-20)
21. UNDP is the Executing Agency while CHTDF is the implementing agency. See, Chittagong Hill Tracts Development Facility, United Nations Development Programme at [www.chtdf.org/index.php](http://www.chtdf.org/index.php). [↑](#footnote-ref-21)
22. Based on the average daily market wage rates for agricultural labor prevailing in 2014/15. [↑](#footnote-ref-22)
23. UNDP (2014), *Accelerating Efforts to Prevent and Respond to Sexual and Gender Based Violence Project SGBV Project* *Annual Report*, p.4. [↑](#footnote-ref-23)
24. UN-GOB Joint Programme on Violence Against Women (VAW) in Bangladesh, Joint Programme Document, 10 December 2009, p. 4 [↑](#footnote-ref-24)
25. It may be mentioned that UPPR baseline or end-line surveys did not accommodate the provision of control group. However, we use the term control group to designate a sub-segment of households among the treatment group that did not receive any explicit assistance (treatment) from the UPPR programme even though they may have been formally clubbed in the treatment group category. Such practice of counterfactual analysis is common in the literature of evaluation involving quasi-experimental design (see also, footnote to Table 4 and Annex 3). [↑](#footnote-ref-25)
26. See, Table 2.4 in Annex 3 [↑](#footnote-ref-26)
27. These are econometrically robust results that have been derived from the primary survey data for the first time by the Evaluation Team. [↑](#footnote-ref-27)
28. Ideally, we should have tried to measure against the matched progress recorded for the slum households included in the HIES. However, the HIES up until now lacks a code that could differentiate slum from non-slum households in the survey data sets. [↑](#footnote-ref-28)
29. The story of mismatches between income and non-income dimensions among the poor depending on their place of residence was quite common in the literature of the 1990s. On this issue, see Sen (1998); Rahman (2012). [↑](#footnote-ref-29)
30. This was echoed in several discussions with the local civil society as well as district administration underscoring the enduring importance of peace maintenance and post-conflict confidence building measures. [↑](#footnote-ref-30)
31. This is also supported by qualitative evidence. In the CHT field visit, we have seen that this sectoral divide in both Khagrachari and Rangamati. Indigenous people bring agricultural products in market where buyers of those products are Bengalee people who sell those products in big cities with high prices. Indigenous people do not get fair prices from Bengalee traders, because they make a syndicate so that no Bengalee can buy indigenous people’s products with fair prices. As a result, Bengalee people have higher total income from all sources than indigenous people. See, Annex 3 for programme-specific discussion. [↑](#footnote-ref-31)
32. The Team Leader for the present evaluation has been involved in one of assessments for Reopa earlier where primary survey data was used in 2012. [↑](#footnote-ref-32)
33. See, Field-Notes from Kurigram: The Experience of Swapno for Preventing Monga, October 2015. [↑](#footnote-ref-33)
34. The efficiency aspect has not received attention in this evaluation so far. Financial data in relation to program cost was limited and not collated consistently or centrally in an accessible way. UNDP staff tended to refer to the original Project Document as a guide to the overall cost of an initiative. Besides, comparable norms for judging efficiency based on best practiced unit costs are not presently available and the evidence on leakage and associated inefficiencies are not documented from independent surveys. [↑](#footnote-ref-34)
35. That UNDP is interested in critical learning is itself demonstrated by the openness and a care for the rigor with which the agency approached successive evaluation missions (including the present one). The ADR of UNDP (2011) is a case in point. The present evaluation also benefited from open access to baseline and mid-term or end-line surveys for the purposes of re-estimation of programme benefits using the latest econometric technique within the data constraints. [↑](#footnote-ref-35)
36. These training courses can be wide ranging beyond traditional apprenticeship. A 6-to-9 months training can secure a relatively high-paying jobs in the modern construction sector in advanced countries such as Singapore where already a large contingent of migrant workers from Bangladesh are employed. In recent years, skilled female workers are finding employment in care giving service sectors after a successful completion of training in TVE centres (on this see, Sen and Rahman 2015). [↑](#footnote-ref-36)
37. The Regional Council is presently headed by Mr Santu Larma, but lacks effective power in taking or executing administrative decisions. [↑](#footnote-ref-37)
38. see <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67479/DFID-approach-value-money.pdf> [↑](#footnote-ref-38)