

# EVALUATION OF DFID COUNTRY PROGRAMMES COUNTRY STUDY: WEST BENGAL FINAL REPORT

*Julian Barr, Settihalli Basavraj,  
Alison Girdwood,  
Jan Willem Harnmeijer,  
Anuradha Mukherjee,  
Siddartha Prakash, Hilary Thornton  
ITAD with KIT  
and Verulam Consultants Private Ltd.*



## OVERVIEW OF COUNTRY PROGRAMME EVALUATIONS

DFID has a rolling programme of Country Programme Evaluations (CPEs) with 5 or 6 evaluations of countries or regions per year. A synthesis report pulling together findings from 5 recent CPEs is also produced annually. CPEs are challenging evaluations attempting to provide an overview of the entire DFID programme over a 5 year time frame and evaluate whether DFID made appropriate strategic choices in the given context and delivered effectively. CPEs are ideally undertaken in the year prior to development of a new Country Assistance Plan, as they are designed to meet DFID's needs for lessons that can inform future strategy and programming, as well as accountability for funds spent at country level. CPEs are intended for a wide audience including DFID's country office staff and partners, senior DFID managers in the relevant regional divisions and members of the public/ other stakeholders.

Each CPE is managed by DFID's Evaluation Department and carried out by 4-6 independent international consultants with a mixture of evaluation and development skills. The terms of reference for the CPE programme include a generic evaluation framework closely linked to standard evaluation criteria; this is customised a little for each individual evaluation (and annexed to the report). For CPEs, interpretation of each of the evaluation criteria is as follows:

- Relevance – CPEs should provide high quality, well evidenced material and judgements on whether 'DFID did the right things'
- Effectiveness – CPEs should examine key interventions and partnerships and identify and explain successes and failures
- Efficiency – CPEs should tell a narrative around the allocation of resources (financial and staffing) to deliver the results DFID was hoping to achieve
- Impact – CPEs cannot produce new information on impacts attributable to DFID, but should consider DFID's contribution to long term outcomes
- Sustainability – CPEs should discuss evidence on progress towards sustainability in terms of ownership of reforms, capacity development and resilience to risks.

Typically CPEs comprise a one week inception mission to the country to make contacts, scope the boundaries of the evaluation, customise the generic evaluation matrix and make decisions around issues such as field visits. The main CPE fieldwork then takes place around a month later and lasts up to three weeks. DFID's Evaluation Department provides each evaluation team with a large documentary evidence base comprising strategies, project/ programme information and context material sourced from a thorough search of paper and electronic files, DFID's intranet system and the internet. During the fieldwork the team interview stakeholders in country and current and past DFID staff. A list of people consulted is annexed to each study.

The views expressed in CPE reports are those of the independent authors. The country office can comment on these in a 'management response' within the Evaluation report. CPE reports are quality assured by an independent consultant who has no other involvement in the CPE programme.

**DEPARTMENT FOR INTERNATIONAL DEVELOPMENT**

**EVALUATION REPORT EV681**

**Evaluation of DFID Country Programmes**

**West Bengal State Programme**

**Final Report**

**Julian Barr, Settihalli Basavraj, Alison Girdwood,  
Jan Willem Harnmeijer, Anuradha Mukherjee,  
Siddartha Prakash, Hilary Thornton**

**ITAD  
with KIT and Verulam Consultants Private Ltd.**

**October 2007**



## **PREFACE**

This evaluation of the West Bengal State Programme was carried out by a team of Evaluation Dept (EvD) staff and independent consultants as part of a rolling programme of Country Programme Evaluations (CPEs). The programme of studies is intended to ensure compliance with DFID's corporate accountability as well as contributing to wider lesson learning across the organisation and informing the development of future strategy at country and regional level. The team was led by Julian Barr (ITAD Ltd) and the process was managed by Iain Murray and Lynn Quinn of EvD's country programme team.

The study focused on DFID's programme during the period 2000-2006 and was carried out over the period July – September 2006. This included a one week inception visit carried out by EvD and the Team Leader and a three week field visit carried out by the consultancy team, focussing on interviews with DFID staff, local stakeholders and key partners.

In accordance with EvD policy, considerable emphasis was placed on involving the country office staff during the process and on communicating findings. Staff were also invited to complete their own assessment of progress against programme objectives prior to the evaluation field visit. We recognise their valuable contributions and insights in finalising the report. This does not mean that the country office necessarily agrees with all the findings presented. The views expressed are those of the independent consultants and the office's 'management response' can be found in this Evaluation Report and Summary.

DFID India are currently developing the next Country assistance Plan (CAP) for India and we are pleased to note that the evaluation will support this process and will help DFID India to develop programme synergies within their work at both the state and national level.

The success of this evaluation is due to the efforts of many people. EvD would like to acknowledge the contribution made by the evaluation team itself, recognising that covering the state programme within the larger country context in such a limited way presented particular methodological and logistical challenges that the team rose to admirably. The level of engagement of DFID India staff was excellent, as was the engagement from development partners in India. Many thanks to those involved.

Nick York

Head of Evaluation Department



## ACKNOWLEDGEMENTS

This report has been prepared by an independent team from ITAD Ltd, with the Dutch Royal Tropical Institute (KIT) and Verulam Consultants Private Ltd. The team consisted of Julian Barr, Settihalli Basavraj, Alison Girdwood (DFID, Evaluation Department), Jan Willem Harnmeijer, Anuradha Mukherjee, Siddartha Prakash, and Hilary Thornton. The team is very grateful to all those people in DFID, the Government of West Bengal, and other organisations who have provided support, information and comments.

The team was greatly assisted by the DFID West Bengal State Programme Manager, the two Assistant Programme Officers, and all the staff of the West Bengal team, as well as others in DFID India. However, full responsibility for the text of this report rests with the authors. In common with all evaluation reports commissioned by DFID's Evaluation Department, the views contained in this report do not necessarily represent those of DFID or of the people consulted.





## Acronyms and Abbreviations

ADB	Asian Development Bank
BCC	Behaviour Change Communication
BJP	Bharatiya Janata Party
BPL	Below Poverty Line
CAP	Country Assistance Plan
CHAD	Conflict and Humanitarian Affairs Department
CMU	Change Management Unit
CP	Country Plan
CPE	Country Programme Evaluation
CPI(M)	Communist Party of India (Marxist)
CSO	Civil Society Organisation
CSP	Country Strategy Paper
CSS	Centrally Sponsored Scheme
CSSP	Civil Society Support Programme
CSSSC	Centre for Studies in Social Sciences, Calcutta
DDP	Director's Delivery Plan
DEA	Department of Economic Affairs
DER	Development Effectiveness Report
DFID	Department for International Development
DFID HQ	DFID Head Quarters
DFIDI	DFID India
DFID-WB	DFID West Bengal
DHFW	Department of Health and Family Welfare
DP	Development Partner
DPEP	District Primary Education Programme
DPP	Development and Planning Department
DWCD	Department of Women and Child Development
EC	European Commission
EU	European Union
EGS	Education Guarantee Scheme
EIRFP	Eastern India Rainfed Farming Project
ERS	Early Retirement Scheme
ESP	Essential Services Package

FDI	Foreign Direct Investment
FRA	Fiduciary Risk Assessment
GBS	General Budget Support
GDP	Gross Domestic Product
GIS	Geographic Information System
Gol	Government of India
GoWB	Government of West Bengal
GSDP	Gross State Domestic Product
GVT	Gram Vikas Trust
HD	Human Development
HDR	Human Development Report
HMIS	Health Management Information Systems
HSDI	Health Services Development Initiative
HR	Human Resources
IBRD	International Bank for Reconstruction and Development
ICDS	Integrated Child Development Services
IDA	International Development Association
INGO	International Non Government Organisation
IT	Information Technology
JRM	Joint Review Mission
KEIP	Kolkata Environment Improvement Programme
KMC	Kolkata Municipal Corporation
KUSP	Kolkata Urban Services Programme
M & E	Monitoring and Evaluation
MDGs	Millennium Development Goals
MoV	Means of Verification
MTEF	Medium Term Expenditure Framework
NACP	National Aids Control Programme
NGO	Non-governmental organisation
NRM	Natural Resources Management
NSS	National Sample Survey
O & M	Operation and Maintenance
OPR	Output-to-Purpose Review
OVI	Objectively Verifiable Indicator
PCN	Project Concept Note

PCR	Project Completion Review
PHC	Primary Health Clinics (PHC)
PM	Project/programme Memorandum
PMF	Poverty Monitoring Framework
PMU	Project/programme management unit
PPP	Public Private Partnership
PRBS	Poverty Reducing Budget Support
PRIs	Panchayat Raj Institutions
PRRD	Panchayats and Rural Development Department
PRSP	Poverty Reduction Strategy Paper
PSA	Public Service Agreement
PSE	Public Sector Enterprise
PSIA	Poverty and Social Impact Assessment
RCH	Reproductive and Child Health
SACS	State Aids Control Programme
SAIC	Staff Appointed In Country
SAP	State Assistance Plan
SBS	Sector Budget Support
SC	Scheduled Caste
SDA	Service Delivery Agreement
SDIS	Service Delivery Improvement Programme
SHG	Self-Help Group
SHP	Strategic Health Plan
SIP	Sector Investment Programme
SPM	State Programme Manager
SR	State Representative
SRD	Supporting Rural Decentralisation programme
SoS	Secretary of State
SR	State Representative
SSA	Sarva Shiksha Abhiyan
SSK	Shishu Shiksha Kendras
SSNP	Social Safety Net Programme
SSP	State Strategy Paper
ST	Scheduled Tribes
STD	Sexually Transmitted Disease

SWAp	Sector Wide Approach
TA	Technical Assistance
TAST	Technical Assistance Support Team
TC	Technical Cooperation
TORs	Terms of Reference
UEE	Universalisation of Elementary Education
ULB	Urban Local Bodies
UPF	Untied Poverty Fund
WBSO	West Bengal State Office
WDR	World Development Report
WIRFP	Western India Rainfed Farming Project

## Contents

<b>EXECUTIVE SUMMARY</b>	<b>I</b>
<b>1. INTRODUCTION</b>	<b>1</b>
<b>2. CONTEXT</b>	<b>3</b>
POLITICAL, SOCIAL AND ECONOMIC COUNTRY CONTEXT	3
POVERTY AND DEMOGRAPHICS	4
DEVELOPMENT ASSISTANCE	5
<b>3. PROGRAMME CONTENT AND PROCESS</b>	<b>9</b>
STRATEGY	9
PORTFOLIO OF ACTIVITIES	14
PORTFOLIO ASSESSMENT	20
EXIT STRATEGY	22
MANAGING THE PORTFOLIO	23
<b>4. PROGRAMME EFFECTIVENESS</b>	<b>29</b>
RESULTS	29
EFFECTIVENESS OF DIFFERENT INSTRUMENTS	37
PARTNERSHIPS, RELATIONSHIPS, COMMUNICATIONS AND INFLUENCE	38
THE RESULTS ORIENTATION OF THE PROGRAMME	43
CROSS-CUTTING ISSUES	45
PROGRESS TOWARDS CAP MAIN OBJECTIVES	46
CONTRIBUTION TO DFID'S PUBLIC SERVICE AGREEMENT	48
<b>5. DEVELOPMENT PROGRESS</b>	<b>51</b>
DEVELOPMENT PROGRESS	51
AID EFFECTIVENESS & HARMONISATION	52
<b>6. CONCLUSIONS AND LESSONS</b>	<b>53</b>
KEY FINDINGS & LESSONS	53
RECOMMENDATIONS	55
<b>7. MANAGEMENT RESPONSE</b>	<b>57</b>
<b>ANNEX 1 - PROGRAMME SPEND AND PERFORMANCE SCORES</b>	<b>59</b>
<b>ANNEX 2 - LIST OF PERSONS MET</b>	<b>61</b>
<b>ANNEX 3 - REFERENCES</b>	<b>63</b>
<b>ANNEX 4 – EVALUATION MATRIX</b>	<b>61</b>
<b>ANNEX 5 – DDP TARGETS</b>	<b>71</b>



## Executive Summary

S.1. This is the report of an evaluation of the Department for International Development (DFID) programme in West Bengal state in India, from 2000 to 2006. The evaluation had two main objectives: to provide an account of the performance of the programme over this period; and to derive lessons for DFID in West Bengal and elsewhere, including other state programmes in India.

S.2. The period under evaluation was politically stable, during which West Bengal continued to be led by the world's longest-running democratically-elected communist government, who have been in power since 1977. In 2001 a new Chief Minister was elected, signalling the start of a period of reform. Reforms were particularly needed in the public sector due to a growing fiscal crisis in the state, which by 2002/03 was running a budget deficit of 7.8% of State Gross Domestic Product (GDP).

S.3. West Bengal has a population of 80 million, and is India's most densely populated state. 72% of people live in rural areas, though West Bengal is also the third most urbanised Indian state, with a slum population in excess of 6.5 million. More than half this number lack access to basic amenities such as water and sanitation.

S.4. The Government of West Bengal (GoWB) has been successful in reducing poverty, primarily through agrarian reforms in the 1980s, which have now stagnated. In 1983, 55% of the population was below the poverty line; it was 36% in 1993/94, 27% in 1999/2000, and 26% in 2004/05.

### Programme content and process

S.5. DFID moved the management of its India programme to Delhi in 1996. The India programme was substantially restructured in 2000, to create a national programme and four state programmes, including West Bengal.

S.6. DFID produces a country-level strategy, together with a state strategy for each state. The State Assistance Plan is designed to meet the particular challenges faced by each state.

S.7. The evaluation period spans two state strategies – a State Strategy Plan (SSP) (2001-2003) and a State Assistance Plan (SAP) (2004-2007). Much of the West Bengal programme seen on the ground in 2006 was designed under the SSP, after long design phases. A key challenge for the SAP was to deliver on the already identified commitments, rather than find new areas to add to the portfolio. The West Bengal programme thus deserves credit for a sound strategy in the SSP and for maintaining consistency across the two strategies.

S.8. During the early part of the period under evaluation, DFID India (DFIDI) faced a changing policy environment for aid both at national and state levels, while simultaneously having the benefit of a rising aid framework, because analysis showed India was relatively under-aided.

S.9. The SSP articulates the political and socio-economic situation in West Bengal better than the SAP. The SAP would benefit from a better exposition of two unifying threads: an underlying analysis of the causes of poverty, and an overarching theory of change describing how the aggregate effect of the programme will achieve positive poverty outcomes.

S.10. GoWB does not produce a Poverty Reduction Strategy Paper (PRSP), but works to Five Year Plans; the current is the 10<sup>th</sup>, covering 2002-07. This describes GoWB's development strategy and serves as a medium term budget outline for development activities in the state. It is also a political document, laying out the vision of the Left Front government. The absence of a more PRSP-type document constrains DFID's ability to develop a more unified poverty reducing strategy in the state, though there are plans to support GoWB in producing a Poverty Monitoring Framework, which will support thinking in this area.

S.11. The GoWB 10<sup>th</sup> Plan maps out an 'alternative economic vision for the state', and the SAP is consistent with its objectives. The SAP is well aligned to the GoWB objectives to improve service delivery through rural and urban decentralisation. The programme has also provided very strategic support to restructuring public sector enterprises (PSEs), in pursuit of reducing West Bengal's deep financial crisis.

S.12. Infrastructure and the agriculture sector receive 40% and 22% of the GoWB plan budget respectively whilst health and education receive only 9.2%. DFID's focus on the social sectors is thus highly relevant, supporting areas which are constrained by West Bengal's fiscal situation. DFID is giving support to infrastructure development through Kolkata Urban Services Programme (KUSP), but support to infrastructure development comes mainly from the Asian Development Bank. DFID has reduced its direct and long-running support to agriculture, though there may be indirect support through the Untied Poverty Fund (UPF) in the Strengthening Rural Decentralisation (SRD) programme. Close attention will need to be given to the use of the UPF, to monitor its use for boosting the rural economy.

S.13. The West Bengal programme has been effective in attaining a compact portfolio, with a relatively small number of programmes, each with a reasonably large budget. Currently there are four major programmes (in health and rural and urban decentralisation), two of which have budgets in excess of £100m. These programmes are complimented by some small programmes designed to assist with reform processes and to address gaps.

S.14. The programme has very successfully tripled annual spend over the evaluation period, with a notable increase between 02/03 (£9.2m) and 04/05 (£28.7m). This growth may be ascribed to a number of factors: the arrival in 2001 of a reform-minded Chief Minister, whose government was willing to do business with donors; the West Bengal programme positioning itself strategically so as to grasp the opportunity this presented; and having a pipeline of programmes in concept or design that could be pushed forward in response to the new environment.

S.15. The SAP runs to 2007, and a key issue for DFID in West Bengal is the next phase of support to the state. This cannot be considered in isolation of DFID India's wider country strategy, which must address engagement with both high and more poorly performing states, as well as India's place on the international economic stage and it attaining Middle Income Country status. Since the evaluation took place, DFID has commenced consultations on its next country assistance plan (CAP). Documents for the consultation do not make explicit reference to plans for West Bengal, though given the strong relationship DFID enjoys with GoWB, it is assumed that the CAP consultations will include them, and would cover the medium and longer term strategy for the state programme, and strategy elements such the balance of support to national and state programmes, and possible graduation options.



S.16. The evaluation found that the West Bengal team is the right-size for the programmes it has to manage and advise on. It also found that the balance of skills and expertise is appropriate to the programme. Despite trying a number of different ways of team working over the evaluation period, the modus operandi for cross-cutting advisers has not been adequately addressed.

S.17. Most of the current West Bengal team joined the programme in 2004. This sort of almost simultaneous staff change-over is detrimental to continuity and institutional memory. Efforts should be made to minimise the impact of a likely similar change in 2007.

S.18. The programme teams maintain close contact with their programmes, through fairly frequent visits from Delhi to Kolkata, and extensive electronic communication. This level of oversight gives a slight sense of project-style management, and utilises time that could be used for upstream activities and monitoring and evaluation of impact and outcomes, rather than activities.

S.19. Divergent views were found regarding the State Office. It was concluded that the office and its staff are a valuable but underused resource. Its Terms of Reference (TORs) describe an appropriate role for the State Office, but it could play a greater role in monitoring and evaluation. There is scope for more structured demands on the State Office from the rest of the state team, beyond the current political and economic analysis. The resource would be better used, and upstream activity improved if Delhi-based staff paid longer visits to Kolkata for strategic activities in addition to programme specific ones.

S.20. The dynamic between sector programmes and state programmes and state programmes and national programmes has been a key issue for DFIDI since the India office was established. The efficiencies of large national programmes are clear, but a state approach has been worthwhile in West Bengal, as it has permitted a level of interaction with GoWB that has led to long term change in the way government approaches some sectors. Closer interaction between state and national teams would be mutually beneficial, for example to assist national programmes in areas where closer political engagement is necessary to achieve their aims.

### **Outcomes and programme effectiveness**

S.21. Most of the significant programmes in the state programme have been running for insufficient time for major results to be evident. The exceptions are a set of completed health sector projects, support to education (District Primary Education Programme (DPEP) 1 and 2) and the support to the Public Sector Enterprise (PSE) restructuring programme.

S.22. PSE was very successful in achieving its objective of supporting policy reforms that promote pro-poor growth through fiscal stabilization and good governance. Through DFID's support, GoWB pushed the reforms more deeply than they had initially envisaged and created a model for engaging in restructuring more difficult sectors. 6,000 workers took early retirement and £16 million was saved from loss-making public enterprises.

S.23. The impact of the early health sector projects was severely limited by system-wide deficiencies, pointing to the need to address structural problems in the health system through a sector wide approach. Project reviews also mention systems weaknesses and poor monitoring as constraining these early projects.

S.24. The Health Sector Development Initiative (HSDI) – sector budget support to the health sector – followed these projects. This was the first such sector programme in India, and a highly relevant response. It had a long design period – slowed by political, technical and bureaucratic factors from DFID and GoWB. Progress has been made towards the majority of milestones – these are process-oriented in the first two years, with the aim of leading to successful outcomes for service delivery and health status and positive impacts on poverty towards the end of the programme.

S.25. Systems' strengthening is a gradual process, with significant results unlikely before 2009/10. However, positive signs are evident – increased acceptance of a performance-based approach in the Department of Family Health and Welfare (DFHW); the first draft of the Annual Plan formulated for 2006/7 and ToRs for District Planning finalized; audit committee established and procurement system review underway. The DHFW budget has increased by 19%, another positive sign of sector partnership.

S.26. In the education sector, a number of District Primary Education Programme (DPEP) 1 and 2 outcomes were successfully achieved: enrolment increased to 95%, virtual equity with respect to gender reached, a significant increase in the numbers of Scheduled Caste (SC) and Scheduled Tribe (ST) children studying in school, and strong community demand for education engendered. However, progress was affected by institutional and policy constraints which resulted in slow implementation and led to DPEP being placed under 'special watch' status by the Government of India (GoI). Lessons learnt from DPEP 1 led to improved performance in DPEP 2. Both programmes annual reviews consistently gave ratings of 3 at purpose level, making them amongst the relatively poorer performing ones in the state portfolio. Signs of improvement began to emerge towards the end of the programme in 2006, and the DPEP 2 project completion report (PCR) - which was finalised after the evaluation took place - gave a rating of 2 at purpose level.

S.27. In West Bengal, similar institutional problems have affected the national Sarva Shiksha Abhiyan (SSA) education programme. This has resulted in continued poor performance in the state, but pressure exerted through GoI-Donor Joint Review Missions (JRM) is beginning to have some impact on a number of areas including teacher recruitment and teacher training provision.

S.28. There has been considerable progress against the designed objectives in both DFID's urban programmes in West Bengal. This has included activities such as training, computerisation of various local government functions, development of citizens' charters, and creation of in-slum infrastructure. However the good progress in these areas now needs to be matched with measures that demonstrate that reforms will be sustained over the long term.

S.29. The Supporting Rural Decentralisation (SRD) programme commenced activity in early 2006, and there are few results yet from the evaluation period. The programme had a long design phase and when submitted to Ministers, approval was granted for only an initial £9m, two-year phase, rather than the £130m requested. This temporarily dented the relationship with Panchayats and Rural Development Department (PRDD), who claim that the reasons for the reduction in funding have never been fully explained to them. Relationships with PRDD have recovered, and relationships with other departments were not affected.

S.30. SRD is accompanied by a Civil Society Support Programme (CSSP), which, also due to a long design phase and a prolonged contracting process, only started in late 2006. CSSP aims to support citizen's voice and accountability activities. SRD followed an earlier, long-running, cross-state, community-based rainfed farming project which proved difficult to take to scale. It was also less popular with GoWB, taking as it did a different approach – working with Non Government Organisations (NGOs) and community groups directly, rather than through local government.

S.31. In West Bengal, DFID is viewed with respect, and valued as a GoWB partner - both for the funds it can mobilise and its intellectual engagement. Relationships with GoWB are warm, and based around personal DFID contacts in government, the interest shown in the state by Ministers and senior staff, and annual partnership talks. Given the sound relationship DFID enjoys with GoWB, there is scope to incrementally develop a more robust engagement around reforms in the urban programmes and HSDI which are harder to achieve, and to engage differently with GoWB where there are decisions to take that affect resources. GoWB respondents stated that GoWB would like to be more involved in allocation decisions.

S.32. There is some evidence of DFID having influence on strategic issues. However, engagement with GoWB is essentially on a programme by programme basis, reflecting the way in which GoWB departments operate. The programme does not appear to have documented its approach to communication with GoWB and informing GoWB policy processes - approaches to influencing and communication are tacit. While there are annual partnership talks with government about aid, and there have been some good communications activities in individual programmes (e.g. PSE), a more coordinated approach to strategic dialogue and broad policy matters needs to be articulated.

S.33. There are few other development partners active in West Bengal. In general, there is a sensible division of labour amongst them, although the DFID and Asian Development Bank funded components of the Kolkata Environment Improvement Programme (KEIP) have not achieved synergy. In HSDI, other donors (UNICEF and GTZ) participated in the latest review. The robustness of this harmonization will be tested in 2007 when World Bank support to the health sector is due to commence.

S.34. At the programme level, there have been some attempts to engage civil society, but DFID has not been as effective as it might in communicating its aims and objectives to civil society at large. A strategic plan to engage civil society groups and the significant Kolkata intelligentsia in the development dialogue in the state would have been useful in accessing a diversity of views, and would have helped in strengthening and building civil society support for DFID activities in the state.

S.35. Individually, programmes have considered impacts and outcomes in their logframes. However, the state programme lacks a means, such as a results framework, by which results are aggregated to assess progress in the state as a *whole*. There is no reporting mechanism whereby the results of the state programme are reported on in an aggregate manner.

S.36. To some extent, the state programme and the SAP are artificial constructs on which to consider reporting. DFID Head Quarters (DFID HQ) is essentially concerned with the performance of DFID India, and not its component parts. Nonetheless, the state has been selected as a unit around which to assemble a programme of

financial and human resources, and it is difficult to assess the success of this strategy if there is no aggregate results framework.

S.37. DFID did not develop or implement a clear strategy for mainstreaming gender and social exclusion within the West Bengal state programme. Although there was no explicit strategy, this does not mean the issues were ignored: gender and social inclusion were considered as part of programme design and implementation phases, and the team included a Social Development Adviser tasked with an overview of these areas.

S.38. Assessment by this evaluation rates DFID's performance in West Bengal as satisfactory, with 'High' rating for its contribution to the SAP objectives – *'Rural and urban decentralisation for improved access to more accountable and better quality services and opportunities, especially for the poor'*, and Medium High for the objective: *'Policy reform for fiscal stabilisation, pro-poor growth and effective governance'*. It has received a Medium rating for *'Strengthening policy and administration towards human development outcomes'*, but this rating is high for health, but reduced by qualified performance in the education sector.

## Lessons

S.39. The West Bengal programme scaled up very rapidly; from £7m in 2002/03 to a projected £45m by 2006/07. This has coincided with a period when GoWB has become much more reform-oriented, partly driven by its fiscal crisis. DFID has been able to achieve this growth by a combination factors including the planning of a suite of well-conceived and ambitious programmes, especially in health and decentralisation; recognising the opportunity presented by the change in Chief Minister; and by responding flexibly and quickly to new areas, such as PSE. This suite of programmes serves to enhance the relationship with GoWB, and it is considered that the state focus is appropriate for enabling DFID to engage in this way with the state government reform agenda.

S.40. Since the state is a successful management unit for DFIDI, it should also be used as a unit for performance management. The lack of aggregate results reporting against the SAP is a gap, and Monitoring and Evaluation (M&E) needs to confirm that the programme is having a cumulative effect on poverty in the state.

S.41. DFID is a valued development partner for GoWB, in an environment where there are few donors operating. Individually, there are strong relationships with senior members of GoWB. However, despite the strength of relationship, communications could be better coordinated, and there are a small number of examples where government could have been involved differently, such as in programme allocation decisions.

S.42. The 10<sup>th</sup> Plan is framed in terms of aiming to assure basic minimum needs for everyone. The SAP aims to support achievement of the poverty reduction targets in the 10<sup>th</sup> Plan, and also includes objectives to promote equity. Representatives of civil society felt this gives a subtle difference in emphasis, which means targeting the poorest is more of a challenge in programmes implemented by government. However, targeting is not improved by inadequate poverty data and poor information on the socio-economic conditions that lead to perpetuating poverty.

S.43. DFID should ensure that programme design is realistic in terms of the level of funding and exposure that Ministers are willing to commit to and the level of funding recipients can absorb.

S.44. Most programmes had a lengthy design period being subject to delays caused by a mixture of bureaucratic, technical, and institutional factors in GoWB, GoI and DFID. However, design is an open-ended process that can unravel in many places, and DFID does not appear to hold itself to a monitorable internal design process with its own performance measures; hence progress can easily slip. There needs to be a design ethos which is flexible and less driven towards design perfection.

S.45. While there are signs in most programmes of progress towards poverty reduction objectives through support to reforms, progress has tended to be better with the less difficult reforms. DFID should now place greater emphasis to progress with core institutional reforms, such as changes in roles and responsibilities of bodies at different tiers of government and delegation of key funds and functions

## Recommendations

### Recommendations for DFID

S.46. A combination of human resources factors resulted in the majority of the West Bengal team moving out of the team in short succession in 2004. DFID should examine the impact of the cluster system and timing of staff appointed in country (SAIC) moves to minimise large scale simultaneous changes in the team, which impact on continuity and institutional memory.

S.47. GoWB considered that programmes' design phases have been unduly long. DFID could usefully re-examine its procedures for design and pre-appraisal. Areas for review could include guidance on monitorable internal design procedures, with clear timetables and milestones.

S.48. In the education sector, and more widely, state and national programmes would benefit from more interaction. The state programme in running lean and 'hands-off' programmes, and the national programmes in using state level knowledge, relationships and experience to gain traction in slow moving state-level issues. It is recommended that ways of working that better facilitate synergy between state and national teams are sought.

S.49. Performance assessment needs to be improved across the programme. One option is to follow the new CAP Guidance, and develop a new-style CAP Performance Framework and Delivery Plan for the state. Producing this document would be a useful reflective exercise for the final year of the current SAP.

S.50. With the end of a plan period in West Bengal approaching, and a largely new team due in 2007, it is considered that a state-level Drivers of Change study would be a useful analysis to assess, explain and guide the programme as a whole.

### Recommendations for DFID-West Bengal (DFID-WB)

S.51. The system of yearly and twice yearly multidisciplinary programme monitoring reviews is a good one, but DFID-WB should increase the level of attention it pays to M&E, including: (i) logframes that include intermediate outcome indicators, (ii) using progress against logframes as the basis of reviews, and (iii) appropriate monitoring at

field level to verify achievements, e.g. an external local agency to assess cross-programme poverty impact, similar to the SRD baseline survey.

S.52. There is merit in the programme self-evaluating its aggregate impact in West Bengal at least once before the end of the SAP plan period. A logframe-type exercise, as attempted in this evaluation, could be utilised.

S.53. The relationship with GoWB is a healthy one and there are mechanisms, such as partnership talks, for DFID to interact strategically with GoWB. However, a better developed Communication Strategy would permit a more coordinated approach to strategic dialogue and broad policy matters, and facilitate its management.

S.54. Review of strategic communications with GoWB would usefully include: (i) the approach to communications over challenging situations, such as changes in the aid framework and programme budgets; and (ii) the level of communication with PMUs on lower level implementation and input issues.

S.55. Three major programmes - KEIP, KUSP and SRD - centre on decentralisation leading to better service delivery. DFID should improve the cross-learning between the decentralisation programmes, and use the most advanced of these, KEIP, as a sentinel – providing indication of areas of both tractability and constraint in decentralisation processes.

S.56. The theory of change of how decentralisation eliminates poverty, and over what timeframe, is not always well articulated by the West Bengal programme. It is suggested that prior to the forthcoming likely change in programme staff, or as part of preparing the document that succeeds the SAP, a theory of change is appropriated articulated.

## 1. Introduction

1.1 This is the report of an evaluation of DFID's State programme in West Bengal in India. The evaluation covers DFID's operational years from 2000/01 to 2005/06. The broad objectives are first, to assess DFID processes, using evaluation criteria of appropriateness, relevance, efficiency and effectiveness, and second to examine evidence of impact and sustainability.

1.2 This study is one of a round of five Country Programme Evaluations (CPEs) commissioned in 2006/07. While West Bengal is not a country, the scale of the state programme, £39.5 million in 2006/07, is comparable to many full country programmes. DFID has recently completed a Development Effectiveness Report (DER) for its India programme as a whole, covering essentially the same period. This evaluation does not attempt to cover the same ground, and relates to the country level only in as much as it defines the direction for the state programme in West Bengal.

1.3 The evaluation followed a 'rapid and light' approach, in which evidence was collected from three sources: reviews of file correspondence and programme documents from DFID (Annex 3); interviews with past and present DFID staff; and interviews with officials in government, partners in other development agencies and representatives of NGOs and civil society organisations (Annex 2). Interrogation of all sources of information was structured by use of an evaluation matrix (Annex 4). The approach constrains the study methodology in a number of ways. The limited number of performance reviews and evaluation reports available means this study is not a meta-evaluation. No projects or programmes were visited in the field and no primary data collection took place, hence the limited extent to which the team has been able independently to verify the evidence needs to be borne in mind when reading the report. It should also be noted that much of the West Bengal programme has only come on stream in the latter part of the evaluation period.

1.4 The remainder of this report is structured as follows: Chapter 2 sets out the context within which the programme was developed. Chapters 3 and 4 tackle the two principal questions dealing with programme quality and programme effectiveness. Chapter 5 assesses development progress in West Bengal. Chapter 6 presents the conclusions, lessons and recommendations from the evaluation.





## 2. Context

### Political, social and economic country context

2.1 West Bengal is governed by the Left Front coalition, led by the Communist Party of India (Marxist) (CPI(M)), who have been in power in West Bengal since 1977, making it the world's longest-running democratically-elected communist government. Buddhadeb Bhattacharya has been the Chief Minister of West Bengal since late 2000, when Jyoti Basu stepped down ahead of the State Assembly elections in May 2001. Mr Bhattacharya is seen as a Communist leader who is open to reforms. In May 2001 he won a record 6<sup>th</sup> term for the Left Front government running on a reform and economic growth agenda, with education, health and economic reform as key issues. Since becoming the Chief Minister, Bhattacharya has liberalised West Bengal's economy significantly, attracting domestic and foreign direct investment. Bhattacharya led the Left Front to a 7<sup>th</sup> consecutive term in 2006 Assembly Elections.

2.2 The Left Front Government of West Bengal (GoWB) has a pro-poor orientation. Its successful land reform in the 1970s and 80s achieved substantial rural poverty reduction. West Bengal was one of the few states in the union which saw growth in the agricultural share of state GDP (SGDP) between 1980 and 2000. However, these gains are now slowing down and commodity prices have fallen. Combined with industrial decline (manufacturing fell from 23% to 13% of SGDP between 1980 and 2000), the state faces significant poverty challenges, which Bhattacharya's reforms, pro-business stance<sup>1</sup> and efforts to attract direct investment, aim to tackle. However, as stated in DFID's West Bengal State Strategy Plan (SSP), there is no single GoWB document which sets out the state government's approach to poverty. Elements are covered in 5 year plans, annual budget statements and general or sector specific policy documents. The 2004 Human Development Report (HDR) is the document that comes closest to addressing this deficiency.

2.3 The politics of West Bengal lead it to a strong public commitment to poverty reduction and decentralisation. Regular Panchayat Raj Institution (PRIs) elections are held, and the state is in the process of devolving financial resources to PRIs. However there are challenges in terms of both access to untied poverty funds and capacity, especially at lower tiers of the PRIs for participatory planning, effective service delivery, and monitoring and evaluation.

### *West Bengal and the Centre*

2.4 At the national level, contrary to predictions, Sonia Gandhi's Indian National Congress party led coalition won the 2004 elections. The coalition is strengthened by the support of the Left Front alliance, giving the communist states, such as West Bengal, more influence at the centre than they enjoyed previously. While constitutionally, some development sectors are the responsibility of the state government (e.g. health, rural development), responsibility for others is shared between the centre and states (e.g. education). However, the fiscal imbalance between the centre (where most of the revenue is generated<sup>2</sup>) and the states (which

<sup>1</sup> West Bengal has previously had a reputation for as poor for investment due to union activism and politicisation of the state economy.

<sup>2</sup> States generally raise only limited revenue through taxation, though West Bengal has recently introduced a VAT/sales tax which has been successful in increasing revenues and improving the state's fiscal position.

have most of the expenditure obligations) and the resulting fiscal transfer system, enables central government to have influence in most sectors with regard to state policies and their expenditure patterns. Hence, while states enjoy a good deal of political autonomy, the union government has the leverage to set direction and encourage reform where states are under-performing<sup>3</sup>.

### *Poverty and demographics*

2.5 West Bengal occupies only 2.7% of the India's land area, though it supports over 7.8% of India's population - 80,221,171 people in the 2001 census. With a population density of 904 people per km<sup>2</sup>, it is India's most densely populated state. While about 72% of people live in rural areas West Bengal is also the third most urbanised state, with a slum population in excess of 6.5 million, more than half of whom lack access to basic amenities such as water and sanitation.

2.6 The National Sample Survey (NSS) figures<sup>4</sup> show poverty has reduced steadily; from 55% of the population below the poverty line in 1983, to 36% in 1993/94, 27% in 1999/2000, and 26% in 2004/05. However the GoWB Panchayats and Rural Development Department's (PRDD) Below Poverty Line (BPL) figures show a higher incidence of poverty at 45% of families<sup>5</sup>.

2.7 Muslims, Scheduled Castes (SCs) and Scheduled Tribes (STs)<sup>6</sup> together, account for more than half the state population. These three disadvantaged groups are vulnerable and suffer multiple deprivations. Muslims are the largest minority group, accounting for 28.6% of the population<sup>7</sup>. This is partly a historical legacy due to the dynamics of partition and partly as a result of high levels of illegal immigration through the state's shared border with Bangladesh. SCs and STs form 28.6% and 5.8% of the population respectively in rural areas, and 19.9% and 1.5% in urban areas. The proportion of all three groups is higher in the poorer Northern Bengal districts.

2.8 A particular challenge is delivery of health and education services to SCs and Muslims. West Bengal's performance in supporting the development of SCs is better than many states in India and human development indicators for SCs are better in WB than they are for all-India (e.g. literacy SCs 42%, all-WB 58%, all-India 37%). In relation to targeting disadvantaged groups, prompted by the Prime Minister's new programme for the Welfare of Minorities, the GoWB has just announced that 15 per cent of the state's budgetary expenditure will be set aside for the benefit and welfare of minorities. West Bengal is the first state to act in this way.

2.9 Poverty in West Bengal has geographic dimensions, with the highest ratios in northern and western districts, but greater absolute numbers of poor living in urbanised southern districts. Poverty is also gendered, with large gender disparities in literacy and low participation of women in the work force.

<sup>3</sup> DFIDI. *India to 2015*.

<sup>4</sup> NSS 1999/2000

<sup>5</sup> SRD programme memorandum

<sup>6</sup> Scheduled Castes (also called Dalits) and Scheduled Tribes (also called Adivasis) are accorded special development status under the Indian constitution. These communities were traditionally considered 'outcastes' from society. They were relegated to the most menial jobs, and subject to extensive social exclusion. Lacking opportunities for educational, social and economic growth, they were predominantly the poorest parts of society.

<sup>7</sup> Fourth highest state proportion of Muslims after Lakshadweep Islands (95.5%), Jammu & Kashmir (67.0%), and Assam (30.9%).

### *Economics and fiscal crisis*

2.10 West Bengal has the third largest economy (2003/04) in India, with a net gross state domestic product (GSDP) of US\$ 21.5 billion (see Table 1). The GSDP growth in 2001/02 was in excess of 7.8% — outperforming national GDP growth. Some of this growth can be attributed to increases in Foreign Direct Investment (FDI), especially in the software and electronics fields. Since the 2001 elections, the Government of West Bengal (GoWB) has actively promoted FDI, as well as domestic investment in the state.

Table 1. Gross State Domestic Product at Current Prices (93–94 Base)

Year	Gross State Domestic Product (crore Rs)
1999–2000	126,834
2000–2001	139,863
2001–2002	153,865
2002–2003	165,419
2003–2004	186,429
2004–2005	206,881

2.11 The condition of the state finances deteriorated over a number of years, and was acknowledged as being in crisis in the 2003/04 budget statement. The crisis was not caused by low economic growth, which as seen above has been relatively high. This fiscal crisis resulted from decline in the industrial sector, combined with public sector pay rises pressed upon the state by the central pay commission. In 2002/03 the state was running a budget deficit of 7.8% of GSDP, compared to an all-India average of 4.5%. In 1999/2000, West Bengal had the third largest fiscal deficit, after Bihar and Orissa. With the majority of the budget absorbed by recurrent expenditure — such as civil service salaries and pensions — scope for poverty reduction activities was constrained. In 2003, capital spending was just 1% of State GDP. Hence GoWB has difficulties providing matching funds for centrally sponsored schemes (CSSs), which threatens to affect progress on poverty reduction. The need has been to raise revenue, reduce wasteful expenditure and realign departmental budgets to stated growth and poverty reduction objectives. For 2004/05 total public spending by GoWB was Rs 4600 (~£56) per capita. These financial constraints affect expenditure choices and mean that transfers, such as HSDI, add considerable value.

### **Development assistance**

2.12 The previous Bharatiya Janata Party (BJP) led government decided to phase out aid from several bilateral donors. Hence in June 2003 Gol announced that aid would only be accepted from a small number of bilateral donors, including the UK, and that tied aid would not be accepted. In 2004, the Gol removed the option for bilateral donors to provide new rounds of general budget support to state governments, although sector budget support was still allowed. In 2005, Gol published Guidelines for Development Co-operation with the Bilateral Partners, which specified that Gol would not avail itself of bilateral development assistance, except from G8 nations and the European Commission (EC), plus European Union (EU) nations who commit to a minimum annual assistance of \$25 million. Bilateral assistance was also to be allowed “if the assistance is routed through or co-financed with a multilateral agency and the proposed programme/project is to be implemented by the multilateral agency under its own rules and procedures. Such arrangements should be evolved between the participating multilateral and bilateral agencies as

part of their policies.”<sup>8</sup> The main aim of all bilateral assistance should be the enhancement of the knowledge and skills of Indians.

2.13 Nationally, the trend toward declining bilateral assistance seems set to continue for all except DFID, the European Commission (EC) and perhaps Japan. The World Bank (half IDA, half IBRD<sup>9</sup>) and Asian Development Bank lending has grown in recent years and will grow further, easily offsetting reductions in bilateral receipts. In West Bengal, GoWB has taken a harder line on some donors, particularly the World Bank. Thus, World Bank reports show there was no World Bank portfolio in the state during the evaluation period. Although, not a state-based investment per se, their \$500 million contribution to SSA has had a footprint in the state. It is hoped that they will also align their intervention in health with HSDI. The Asian Development Bank (ADB) is present in the state, most notably through its \$220 million funding of KEIP. Current EC investments in the state are small – approximately €1.9 million in intermediate technology (IT), water supply and sanitation, and environment sectors. However, like the World Bank, its co-financing of DPEP and SSA makes it a more significant donor in the state. Its sector investment programme (SIP) in health is not operating in West Bengal. There has been German investment in the health sector, with GTZ providing technical assistance (TA) for developing the Essential Services Package (ESP) and rational drug policies and protocols and KfW involved in health facility renovation and preparation of a Public Private Partnership (PPP) strategy.

## DFID

2.14 DFID moved the management of its India programme to Delhi in 1996. This involved a central office and a number of sectoral offices around New Delhi, responsible for delivering projects. The India programme was substantially restructured in 2000, as it was being overly led by the sectors, and there was a need to re-focus away from projects to partnerships and programmes. DFID thus amalgamated the previously separate sector offices into a single new office, and shifted from sector programmes to geographic programmes – creating a national team and four state teams, covering Andhra Pradesh, Madhya Pradesh, Orissa and West Bengal respectively.

2.15 DFID’s recent India Development Effectiveness Report (DER) considered that faced with restrictions on types of funding at state level imposed by Gol, and combined with the corporate imperative to increase aid spending while reducing administrative costs, DFID India has had a strong incentive to invest in centrally-sponsored schemes through the national programme. This has been a relatively recent shift in emphasis, and the DER found it was too early to say if, in terms of development effectiveness, it has been the right move to make.

2.16 India is DFID’s largest bilateral programme, with a planned commitment for 2005/06 of £248 million (Table 2). There are a number of scenarios under active discussion with regard to the aid framework for the India programme as a whole. Calculation using the Dyer formula<sup>10</sup> shows that India is under-aided, but forecasts of India reaching middle income country status in 2013 influence aid allocation options. 2006/07 has seen a reduction in the predicted size of the India programme, which has impacted on the West Bengal programme. However, on current forecasts the

<sup>8</sup> DEA (2005) Guidelines for Development Co-operation with the Bilateral Partners

<sup>9</sup> The International Development Association and International Bank for Reconstruction and Development arms of the World Bank group.

<sup>10</sup> Dyer et al (2003). Strategic Review of Resource Allocation Priorities. Discussion Paper. DFID.

West Bengal programme is expected to remain stable around £45 - £50 million per annum through to 2008.

Table 2: DFID bilateral aid to West Bengal, India and all countries (£ million)

State/Country Programmes	West Bengal (£m)	India (£m)	WB/India (%)	Total DFID (£m)
2000/01	7.3	105.4	6.90%	1,095.9
2001/02	12.5	180.5	6.92%	1,140.9
2002/03	9.3	156.0	5.96%	1,340.7
2003/04	20.9	214.4	9.73%	1,623.3
2004/05	28.7	245.0	11.71%	1,753.1
2005/06 (est)	29.9	248.0	12.07%	2,014.9
Total 2000-2005	108.5	1,149.3	9.44%	8,968.8

Sources: PRISM and DFID Departmental Report 2006. Annex 1, Table 4



### 3. Programme Content and Process

#### Strategy

3.1 The West Bengal programme was created in 2000, following the restructuring of DFIDI. Hence, during the period under evaluation, 2000/01 to 2005/06, the West Bengal programme was first formed; formulated its first strategy, the 2001-2003 State Strategy Plan (SSP), published in 2002; and produced the current 2004-2007 State Assistance Plan (SAP), published in 2004. The objectives of these two strategies are summarised in Table 3.

3.2 Due to the nature of DFID's programme in India, the state strategies sit beneath the DFID India strategy for the whole country. The SSP related to the Country Strategy Paper (CSP) produced in 1999. The current country strategy is DFID's Country Plan (CP) for India 2004-2008, 'Partnership for Development'. Though not called a Country Assistance Plan (CAP) as in other countries, the Country Plan is structured and used as per a CAP.

Table 3: Strategy evolution

Dates	Strategy	Purpose	Objectives
2001 – 2003	SSP 2001	Implementation of effective strategies for poverty elimination by Government of West Bengal (GoWB) and partners	Four objectives: 1. Building human capital 2. Helping government improve its effectiveness and responsiveness to poor people 3. Promoting secure and sustainable livelihoods 4. Strengthening social inclusion, rights and empowerment
2004 – 2007	SAP 2004	To support GoWB to reduce poverty and achieve development targets outlined in the 10th Plan and other key policy documents	Three main objectives: 1. Strengthening policy and administration towards human development outcomes 2. Rural and urban decentralisation for improved access to more accountable and better quality services and opportunities, especially for the poor 3. Policy reform for fiscal stabilisation, pro-poor growth and effective governance  There is in essence a fourth, underpinning objective: 4. Promoting equity, voice, accountability and partnership, which will prioritise support to the poorest social groups and regions
1999 – 2003	CSP 1999	To work effectively with partners to reduce poverty significantly over a ten-year period	<ul style="list-style-type: none"> <li>▪ Partnership with selected state governments to tackle poverty more effectively.</li> <li>▪ Accountable government delivering pro-poor reform and growth and effective services.</li> <li>▪ Substantially increased and more effective investment in education, health and water and sanitation.</li> <li>▪ Greater empowerment of the poor, especially women, and members of scheduled castes and scheduled tribes.</li> <li>▪ Greater empowerment of the poor, especially women, and members of scheduled castes and scheduled tribes.</li> </ul>
2004 - 2008	CP 2004	To support the achievement of the targets in the 10th Plan, and thereby contribute to achieving the Millennium Development Goals globally.	Three objectives: 1. More integrated approaches to tackling poverty in focus states 2. Improving the enabling environment for sustainable and equitable growth 3. Improving the access of poor people to better quality services

3.3 The rationale for working in focal states is well stated, and relates to an agreement between Her Majesty's Government (HMG) and the Government of India (GOI) that DFID would focus on five objectives. As stated in the CSP, Objective 1 is: 'Partnership with selected state governments to tackle poverty more effectively'. This builds on views that emerged from both the Department for Economic Affairs (DEA) and the Planning Commission that donors should favour the poorest states and ensure a balance in the flow of resources to states.

3.4 This theme is followed through in Objective 1 of the CP: 'more integrated approaches to tackling poverty in focus states'. The CP states that integrated approaches means that 'they engage in core, cross-sectoral issues (such as planning, poverty monitoring and budgeting) to help states tackle the full range of poverty challenges'. It goes on to say that SAPs will involve no more than three 'outcome-based and measurable objectives', and that they will be tailored to the challenges in each state.

3.5 Whilst the CP provides the guiding principles for SAP preparation and assessment, the SAPs are essentially autonomous, managed by State Programme Managers (SPMs). The guiding principles set out by the CP include: focus on poorer states and poverty and exclusion, a sectoral focus with some portfolio cleansing and 'upstream' working, funding government programmes with other agencies, and the possibility of graduating from better performing states.

3.6 At an operational level, SAPs, as self-contained programme strategies, are accompanied by business plans, developed by the SPMs which map out the implementation of the SAPs. The business plans are useful operational documents which outline the resources and ways of working required to deliver the SAP.

### **Strategy development and assessment**

3.7 In 2003, the CSP review considered DFID India to be caught between a changing aid environment and having the benefit of a rising aid framework. During the early part of the evaluation period, this was true also in West Bengal. However, ambitious planning early in the period positioned DFID in West Bengal well to capitalise on the opportunities presented by the new Chief Minister.

3.8 Hence in preparing the SAP, DFID considered that *"the key challenge for the SAP will not be in terms of finding new areas to add to the portfolio, but to deliver on the already identified commitments, and making sure we genuinely add value"*<sup>11</sup>. Although State Poverty Reducing Budget Support (PRBS) was looking possible, there was concern that new areas would dilute present efforts, and would result in not reaching commitments made in existing programmes. As a result much of the programme evident in 2006, was designed under the SSP. The West Bengal programme thus deserves credit for consistency across the two strategies. It signals that the SSP made sound programming choices.

### **Process**

3.9 Development of the SSP and the SAP were not quick processes<sup>12</sup>; they included the production of background papers, strategising, discussion, review, and eventual approval by DFID and GoWB/GoI. Formulation of the SSP took about 18

<sup>11</sup> Vijay Pillai, memo, 15/01/04

<sup>12</sup> Long design period for individual programmes is discussed in the next chapter.



months, and the SAP 12. Respondents considered that the process of developing the SAP was itself very useful – the process was inclusive and iterative, and allowed ‘the entire team to sign up to it, providing a focus that was previously not there’.

3.10 The preparation of the SSP included the production of a position paper, giving a clear and detailed exposition of the poverty challenge in West Bengal. The analysis covers the feminisation of poverty and incidence of poverty amongst SCs, STs and Muslim households. However, the preparation of the SSP also identified that DFID had ‘little credible information on poverty’. DFID was able to describe the nature of poverty, but was less well placed to elaborate how it would address its causes.

3.11 Whilst the process of developing the SAP was seen to unite the team around a common focus, there is less evidence that the resulting plan continued to serve the function of unifying the team behind a singular vision. The fact that most of those involved in drafting the SAP moved posts shortly after has resulted in less ownership of the document by the current team.

3.12 Given that all the current major programmes were in design prior to 2004, it must be concluded that the SAP was inevitably crafted around the portfolio in hand. It appears to have tried to seam together 4 main sets of objectives:

- The overall objective framework created by the CP
- High level DFID corporate objectives, as set out in documents such as the Director’s Delivery Plan (DDP) and Public Service Agreement (PSA). These are mainly taken care of in the CP
- The objectives to which the programme was already committed in the large pipeline of programmes
- The objectives of GoWB as stated in the 10<sup>th</sup> Plan

3.13 While it has managed to do this fairly well, it has meant that the underlying analyses are lacking some depth. The SAP identifies key challenges, including accelerating economic growth, restoring the state budget to solvency and addressing inequality. However much of what the programme set out to do was already established in the SSP. Thus what is missing from the SAP, and from the programme as a whole are two key unifying threads:

- An underlying analysis of the causes of poverty
- An overarching exposition of how the aggregate effect of the programme will impact positively on poverty outcomes

3.14 The description of poverty is mainly geographical in nature – identifying poorest districts. Poverty is related to scheduled tribes and castes, as well as women and girls, but the poverty of the high proportion of Muslims in West Bengal is not given prominence. In addition, the analysis of why the incidence of poverty is highest for particular districts/castes/gender groups is not addressed. This type of poverty analysis would provide some guidance on addressing it. There was no evidence that the WB team do not understand what causes poverty, but more that the programme lacks a central poverty analysis as a foundation to draw together the programmes on the basis of a common conception of the underlying causes of poverty.

3.15 The programme also lacks a unifying theory of change as to how the various threads cumulatively work together to eliminate poverty. Other programmes, for example in Bangladesh and Nigeria, have made very good use of Drivers of Change

analysis to develop a central theory of how their development interventions will reduce poverty. Without a unifying understanding of the aggregate impact of the programme, it risks a) different strands diverging, and b) failing to be more than the sum of its parts.

### Consistency of objectives and portfolio

3.16 The programme is closely aligned to the GoWB objectives as set out in state Five Year Plans. West Bengal's 10<sup>th</sup> Five Year Plan for 2002-07 has two main functions – as the GoWB development strategy and as a medium term budget outline for development activities in the state. It is also a political document, laying out the vision of Left Front government.

3.17 The GoWB 10<sup>th</sup> Plan maps out an 'alternative economic vision for the state'. It is premised on meeting basic minimum needs for all, and devolution of decision making and financial powers to peoples' representatives. It prioritises agriculture, rural development, industry and food processing, economic development and employment generation, education, health and infrastructure. Economic development and employment generation are priorities, and as a result health, education and women and child development are squeezed in terms of budget – together receiving only 9.2% of the budget allocation.

3.18 Although at the national level, the World Bank has accepted the 10<sup>th</sup> Plan as equivalent to a PRSP, the state 10<sup>th</sup> plan is not a PRSP in that it does not outline an overall strategy for development and poverty reduction. It does not cover recurrent expenditure budgets, and concentrates only on policies and tasks with a budget line<sup>13</sup>. The absence of such a comprehensive framework for poverty reduction<sup>14</sup> is one of the largest handicaps for DFID in planning its investments in West Bengal.

3.19 In 2003, DFID met with GoWB to explore the possibility of developing a comprehensive framework for poverty reduction. While there was receptivity to the ideas, it was felt that DFID's support should be channelled into supporting the forthcoming Human Development Report or into implementing the GoWB State Plan.

### Content (programmes)

3.20 The SAP aims to support achievement of the poverty reduction targets in the 10<sup>th</sup> Plan, and also includes objectives to promote equity, including sharpening the focus on addressing inequality (mainly targeting deprived districts) and recognising the higher levels of poverty in SCs and STs, as well as gender-based poverty.

3.21 The SAP is consistent with West Bengal 10<sup>th</sup> Plan objectives. It picked up on the need to prioritise and support social sectors in order to achieve health and education Millennium Development Goals (MDGs), in a context where state funding is constrained. This emphasis is also consistent with PSA and DFID CP objectives for "Improving the access of poor people to better quality services." The health sector programme is also well aligned with the Paris Declaration, which places importance on strengthening and adopting partner governments' own systems in order to ensure more harmonised donor engagement around addressing development challenges.

3.22 Both the 9<sup>th</sup> and 10<sup>th</sup> 5 Year Plans of the GoI and GoWB have education as a high priority area. This priority is reflected in both the SSP and the SAP. The SSP

<sup>13</sup> Lerche and Srivastava (2003)

<sup>14</sup> Road Map to DFID Support to Poverty Reduction in West Bengal.

sees the role of DFID as 'building on its existing investment in District Primary Education Programme (DPEP) to help the state government develop a coherent approach to universal elementary education'. The intention of bringing all interventions together under a Sector Wide Approach (SWAp) is identified. The SAP focuses on elementary education, particularly in relation to meeting the challenging MDGs (e.g. achievement of Universalisation of Elementary Education (UEE)). Priority is given to delivering education through financial support to 'the centrally sponsored schemes', DPEP and Sarva Shiksha Abhiyan (SSA).

3.23 The CSP places strong emphasis on reaching the poorest and most disadvantaged groups in society, particularly women, SC, ST and the disabled. In this respect the DPEP districts which are ten of the poorest districts with high percentages of ST, SC and Muslims is well aligned with the SSP, and the targeting of the Health Services Delivery Initiative (HSDI) is also appropriate.

3.24 Decentralised bottom-up planning is a key objective for the GoWB 10<sup>th</sup> Plan. DFID's programmes are well aligned to this, with Kolkata Urban Services Programme (KUSP), Kolkata Environment Improvement Programme (KEIP) and the Supporting Rural Decentralisation (SRD) programme all directly supporting decentralisation. While not seen as such by either DFID, or GoWB, this is effectively a suite of decentralisation programmes, with the aim of improving basic service delivery.

3.25 The GoWB 10<sup>th</sup> Plan articulates, as part of its new economic vision, the state government's commitment to restructure public enterprises and encourage efficiency, attract private investment and create an enabling environment for growth. The SAP Objective 4 - 'Supporting policy reforms contributing to fiscal stabilisation, pro-poor growth and effective governance' is well aligned to this aim. PSE is the main programme contributing to this objective.

3.26 All programmes aim to embrace the cross-cutting principles of equity, voice, accountability and partnership. The Civil Society Support Programme (CSSP) is the main programme which attempts to address voice and demand-side accountability. The civil society challenge fund in KUSP is not currently used to support 'voice'.

3.27 There are inevitably gaps in what the SAP covers. Key GoWB sectors which are not picked up by DFID are agriculture and to some extent infrastructure, which is under the aegis of ADB, though DFID makes some support through KUSP. The areas of agriculture important to GoWB are particularly value addition and marketing chains. DFID's emphasis in the rural areas has moved away from an earlier agriculture and natural resources focus to one of decentralisation. It has been approached by GoWB to fund studies on agricultural marketing, but these have not been followed through. This is an area which needs to be kept in sight, since the 11<sup>th</sup> Plan will be more agriculture oriented.

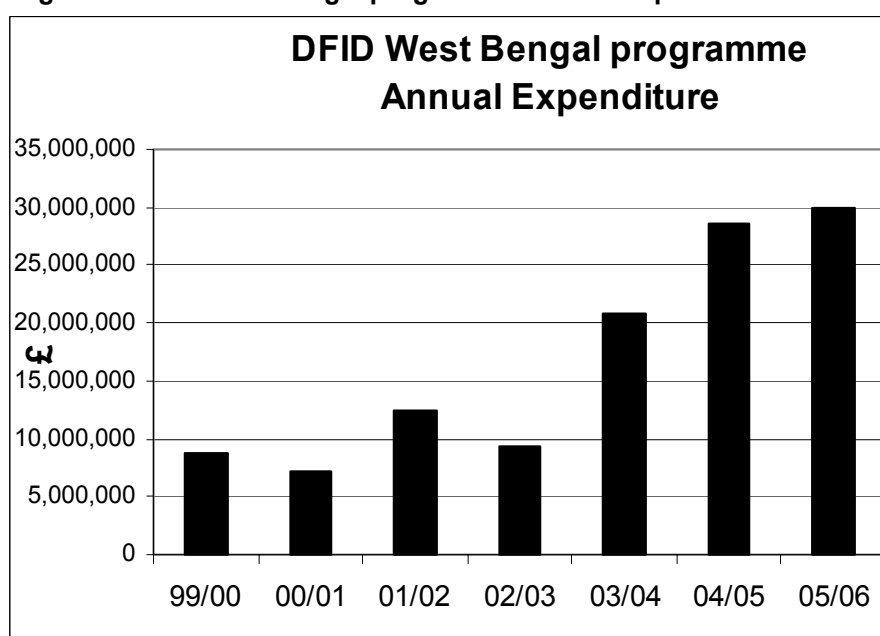
3.28 Overall, the SAP is well aligned with GoWB objectives in the 10<sup>th</sup> Plan. It strongly picks-up the decentralisation theme, as manifest in KEIP, KUSP, and SRD, as well as CSSP. PSE is directly in support of the economic development objective, and was designed to address the fiscal deficit so that GoWB could increase social sector spending. HSDI and DPEP/SSA support the health and education objectives of the 10<sup>th</sup> Plan respectively. The 11<sup>th</sup> Five Year Plan is designed to provide a substantial thrust to decentralisation and planning at the lower tiers of government (PRIs), in order to realise the vision of the 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendments, which relate to decentralisation. Thus the objectives in the SAP will maintain their relevance.

3.29 While the SAP objectives are well aligned with GoWB priorities, a number of people interviewed considered that it lacked an over-arching sense of direction. Respondents stated '*there is a lack of a big picture for the state*', and '*the vision for the state is not there*'. Possible factors include the high level of continuity between the SSP and the SAP, which meant that the vision was not re-assessed in detail for the SAP; the fact that the SAP takes its lead from the 10<sup>th</sup> Plan, which in itself is less a vision than a budget statement (i.e. not a PRSP); and that this view has emerged during the implementation of the SAP, because the state programme is managed more as a set of sector programmes than as a coherent and additive whole.

### Portfolio of activities

3.30 The West Bengal programme has been effective in cleansing the portfolio and it is compact, with a relatively small number of programmes, each with a reasonably large budget (Table 4). It has also successfully tripled annual spend over the evaluation period, with a notable increase between 02/03 and 04/05 (Figure 1).

**Figure 1. DFID West Bengal programme Annual Expenditure**



3.31 For a full breakdown of spend on the West Bengal programme, see Annex 1.

3.32 The current portfolio consists of four large, transformational programmes, with two more in the pipeline:

- Health Systems Development Initiative (HSDI) - £100m, 5 years
- Kolkata Urban Services for the Poor (KUSP) - £102.7m, 7 years
- Strengthening Rural Decentralisation (SRD) - up to £130m, 7 years
- Kolkata Environment Improvement Programme (KEIP) - £28.3m, 6 years

Pipeline:

- Public Sector Enterprise Restructuring – phase 2 (PSE 2) design is £28m, 3 years
- Service Delivery Improvement Programme (SDIP) – a governance programme, in design

**Table 4. Timetable of projects and programmes in West Bengal**

Programmes/Projects	Budget (£m)	99	2000	2001	2002	2003	2004	2005	2006	End date
		1	2	3	4	1	2	3	4	1
<b>Human Development - Education</b>										
DPEP 1	41.7	(97)								Mar-05
DPEP 2	33.0									Sep-06
SSA [Central]	1.9b									Mar-08
<b>- Health</b>										
WB Sexual Health	4.78	(95)								Dec-01
WB Repro & Child Health	2.99	(95)								Mar-02
Honorary Health Workers	0.8									Jun-05
HSDI	97.5									Jun-10
Nutrition	(5.0)									Jul-06
<b>Decentralisation &amp; Service Delivery</b>										
EIRFP	8.1	(95)								Jun-05
KUSP	89.4									Mar-11
KEIP	21.2									Mar-09
SRD	9.0									Dec-11
CSSP	5.3									Oct-10
<b>Policy reform for growth &amp; governance</b>										
PPGov in WB&B	0.21									Mar-01
Power Sect Reorg	0.08									2003
PSE Prelude	0.45									2004
PSE	23.1									Dec-06
TA on Pov, Gr & Gov ref	0.24									Mar-06
<b>Support to the poorest social groups and regions</b>										
UNICEF WatSan	17.5									Jun-04
Floods CARE [CHAD]	0.27									Dec-00
Floods Oxfam [CHAD]	0.25									Sep-01
Floods UNICEF [CHAD]	1.05									Jan-01
WB Flood Rehab	1.06									Apr-04
Sunderbans Women	0.05									Oct-09

Key

■ = conception (1st project document logged on PRISM)  
 ■ = major planning and design periods

3.33 These programmes are complimented by some small programmes designed to assist with the reform process (e.g. Civil Society Support Programme (CSSP) and the Nutrition component of HSDI). Overall, the main features of the State programme are:

1. Under the Human Development objective in education, both DPEPs have now closed, and the sector is represented by SSA. In health, HSDI contains the major sector investment, with a possible adjunct project on nutrition.
2. Under the Decentralisation and Service Delivery Objective, KUSP and KEIP continue, SRD has been running for a short period, and CSSP is just about to commence. The latter two programmes were originally conceived as much larger investments: SRD - £130m and CSSP £18m.
3. Under the Policy reform for growth and governance objective, the first batch of PSE related investments have been completed and PSE2 is under development.

3.34 A significant feature is the drawn-out planning and design phase of the main elements of the programme. For HSDI, KUSP, KEIP, SRD, and CSSP, the average

design period has been 41 months from Project Concept Note (PCN) to approval. GoWB consistently commented that they considered this was overly long.

3.35 The following sub-sections provide more detail on the main DFID programmes in the state:

### Public Sector Enterprises

3.36 Support to public sector enterprises has been through a series of 3 projects of increasing size – advice on reorganising the power sector, a ‘prelude phase’ of initially restructuring two public sector enterprises (PSEs) and a main phase of PSE restructuring – initially 17, and later expanded to 28 PSEs. DFID’s support to PSE restructuring was predicated on the fiscal crisis impacting on GoWB’s ability to make progress on pro-poor policy commitments. In addition to payment of salaries and pensions, public resources were being absorbed by loss-making PSEs. DFID’s rationale for intervention was based on the need to place government finances back on track as a springboard for other reform areas, especially in social sector spending. The decision to support PSE restructuring was backed by DFID’s experience in supporting similar projects in Orissa and Andhra Pradesh, and built on the strong political will in GoWB to undertake these reforms.

3.37 DFID’s decision to support the PSE Reforms was in line with a key objective of the State Assistance Plan (SAP) – to support policy reforms contributing to fiscal stabilization and good governance. This in turn was aligned to the overall objectives of the country plan (CP) – to support a comprehensive approach to poverty reduction and the creation of an enabling environment for pro-poor growth.

### Health

3.38 DFID’s health sector programmes relate to the SAP objective of strengthening policy and administration towards human development outcomes. West Bengal’s health indicators are in the median range for India. However, women’s health status is poor, and indicators for vulnerable groups (SCs, STs, Muslims, migrants from Bangladesh) are low. Fiscal deficit has affected service delivery, and vulnerable groups have poor access to services.

3.39 GoWB approached DFID to extend its urban health programmes to rural areas. However, after several months of discussions, GoWB shifted its request to one for broader-based strategic support to the sector. This commenced with development of a strategic framework for the sector. Hence, there are essentially two phases to DFID’s engagement in the West Bengal health sector: early projects which were mainly completed in 2002, and focused on reproductive and child health, particularly in urban areas, alongside DFID’s slum projects, and the sector-wide Health Systems Development Initiative (HSDI), which commenced in late 2005.

3.40 **HSDI** is part-way between a SWAp and Sector Budget Support (SBS). It is more SWAp-like, but currently lacks the multi-door aspects of this aid instrument. DFID was keen to emphasise that HSDI is not “just another donor project”, and thus placed considerable weight on analysing and addressing the sector in its entirety. Hence the approach to first support the development of an over-arching strategic sector framework, and then an associated resource plan.

3.41 **HSDI components/complements:** KUSP Health component. Within KUSP, there is a health component for a framework that aims to strengthen public health

services; Reproductive and Child Health (RCH) services; preventive care and other Urban Local Body (ULB) health initiatives. Early reports indicate successful interventions will increase service delivery, but it is still too early to judge its effectiveness. Other interventions include the Honorary Health Workers (HHW) Scheme developed when HSDI progress was slow and centred on the design of the Strategic Health Plan (SHP), but on which no costs were ultimately incurred.

3.42 The Nutrition component of HSDI (2006 - ) is a good example of strategic support, as well as encouraging departmental convergence and a holistic approach to health. Supporting nutrition interventions through the Department of Women and Child Development (DWCD) has synergies with RCH II, since the latter has introduced a policy of convergence with the former. This project will also have linkages with DFID support to the Integrated Child Development Services (ICDS) through the national programme. Nutrition was initially left out of the SHP, although malnutrition, also for adolescent girls, is a major health issue. The draft design report, is of high quality, and was submitted in March 2006. Finalization of the programme memorandum is still in progress, with funding within the overall agreed HSDI resource envelope.

### Education

3.43 DFID has worked with education in West Bengal through support to three large programmes – DPEP 1, DPEP 2 and SSA. Engaging with the state around a reform agenda in education, similar to that pursued in health, was proposed in the SSP and the SAP, but it was suggested that opportunities for dialogue were limited by the lack of reform minded actors in the sector throughout most of the period of support to both DPEP 1 and 2. Concurrently, DFID priorities in education became increasingly focused on support to centrally sponsored schemes (i.e. SSA). The successful sector wide approach of SSA has shifted the reform agenda away from direct dialogue between development partners and the State, with the current reform agenda increasingly being led by GoI, working together with GoWB. DFID now engages through the Joint Review Mission (JRM) mechanism for both DPEP and SSA rather than directly with GoWB. At the time of the evaluation there were signs of more reform minded actors being engaged in education in GoWB: a positive move that is likely to contribute to effective implementation of SSA in the State.

3.44 DPEP 1 and 2 have accounted for a significant percentage of the DFID WB state budget (about 50% from 1999 to 2002 and 2004-5, 80% in 2002-3 and 25% in the remaining years). The allocation of human resources by contrast has been relatively small, comprising a proportion of the Human Development (HD) adviser's time and a small percentage (10%) of the national education adviser's time. Comparing the ratio of adviser time to programme activity in other sectors in the state programme at this time, this allocation of resources appears to have been out of balance, particularly earlier in the period up until 2005 when both DPEP 1 and DPEP 2 were on stream. In addition State Human Development Advisers have tended to have had a stronger health rather than education orientation reflecting the emphasis given to health in the programme and the SAP, as well as the recent importance of HSDI.

3.45 With the move towards Centrally Sponsored Schemes, education has increasingly come under the aegis of the national team. Its priority at state level has reduced significantly over the last 6 years to the point where the state team proposed that they would cease to take responsibility for education, the state Human

Development adviser focusing entirely on health. This diverges from the approach to other sectors in the state, in which knowledge of how the sector operates in the state, building relations with its prime actors and being aware of its opportunities and constraining factors are perceived to be important to achieving success. As recognised in the 3<sup>rd</sup> SSA JRM, the institutional environment for education is uniquely constraining in West Bengal – more so for SSA, which covers primary and upper primary across the state, than the DPEPs which dealt with only primary in ten districts.

3.46 The key constraints to progress in this sector in West Bengal are widely recognised as being institutional and policy related. The DPEPs did not give DFID the platform to address these constraints and opportunities to engage through provision of TA did not come to fruition since the TA funds earmarked for addressing reforms were not utilised. Overall, given such high spend, and recognising the achievements that have been made, more progress on reform of the institutional environment within the state would have been expected together with greater impact on quality indicators, such as pupil teacher ratios and the quality of teacher training.

### Decentralisation – Urban

3.47 DFID's support to urban governance and decentralisation comprises two programmes, **KEIP** and **KUSP**, which effectively commenced in March 2003 and April 2004 respectively. Both programmes seek to contribute to the SAP objective of: *“urban and rural decentralization strengthened for improved access to more accountable access to more accountable and better quality services”*<sup>15</sup>. This meshes with GoWB's progressive policy environment on decentralisation, which the SAP considers necessary to enable it to tackle the challenges posed by rapid urban development. The SAP sees improving the access and quality of basic municipal services is an important component in tackling urban poverty, and that this requires more efficient and accountable government systems, municipalities with an improved revenue base; and use of public- private partnerships in service delivery.

### Rural Livelihoods and Rural Decentralisation

3.48 Agriculture is the mainstay for the 72% of the rural population. Land reform had a major impact on this group, but latterly land fragmentation, low prices, and production problems have negatively affected livelihoods. There is a need to promote diverse and non-farm livelihoods, and address widespread rural poverty. This is mainly in the hands of the PRIs, who will have to manage the shift in focus from the agriculture to the more urban/industry and services sector in West Bengal. In doing so the PRIs will need support; both infrastructure and technical. The SRD is well placed to provide this.

3.49 DFID has made two substantive rural sector investments over the evaluation period – the **Eastern India Rainfed Farming Project (EIRFP)** (1995-2005) and the **Supporting Rural Decentralisation (SRD)** programme, which commenced in early 2006. DFID also funded an agricultural marketing study.

<sup>15</sup> For KUSP: *“The government's focus on urban areas, commitment to decentralisation and an imperative to reduce the state's large fiscal deficit are the key drivers of change that have shaped the overall framework of KUSP”* (KUSP Project Memorandum, Summary). A key objective of the KEIP Capacity Building Programme is to enhance Kolkata Municipal Corporation's capacity in *“functioning in an autonomous, self reliant manner and through strengthened decentralisation”* (Annual Review, Draft Aide Memoire, April 8, 2004).



3.50 EIRFP, working in Bihar, Orissa and West Bengal, and the Western India Rainfed Farming Project (WIRFP), in Gujarat, Rajasthan and Madhya Pradesh, were the precursors to the Rural Livelihood Programmes DFID has established across its focal states, and which have now evolved in West Bengal into SRD. EIRFP was implemented by the KRIBHCO cooperative until 2000, after which time management transferred to a trust established by KRIBCHO – the Gram Vikas Trust (GVT). The project was meant to close in 2000, but was extended twice due to unspent funds and the need to try to extend impact.

3.51 SRD is a programme of the Panchayats and Rural Development Department (PRDD) in GoWB – part of its commitment to decentralisation, which DFID is supporting, and which is implemented by a state programme management unit with associated units at district level. DFID's funding is central to the success of the initiative. SRD was designed to be a £130m investment of which up to £40m was earmarked for capacity development for strengthening the voice of the rural poor, and enhancing the responsiveness of PRIs; up to £90m for an Untied Poverty Fund (UPF) to support implementation of gram sansad and gram panchayat plans; and up to £10m for a competitive Innovation Fund.

### Civil Society and Social Development

3.52 The West Bengal programme planned to include two programmes directly addressing civil society and social development issues as core aims. These are the **Civil Society Support Programme (CSSP)**, and the **Sunderbans Women's Project**.

3.53 DFID West Bengal state team's planning for CSSP started with the commissioning of a consultancy study on civil society in West Bengal in 2002<sup>16</sup>. The participative approach which engaged with wide range of stakeholders successfully generated enthusiasm within civil society groups and ensured that civil society was viewed as a large community comprising of NGOs, International NGOs (INGOs), academic institutions, media and independent social activists.

3.54 However, during further design, some of the inclusiveness of the programme was lost, for example gender does not find special mention within the logframe. In addition, much of the enthusiasm generated within civil society during the CSSP design phase has been eroded due to the time taken to get to programme launch.

3.55 Initially, CSSP was to reflect DFID's policy on greater civil society engagement. However, CSSP has to span the space between being a stand alone civil society programme that promotes the opportunities for dialogue between government and civil society, and being closely linked to SRD, at least from PRDD's perspective. The Managing Agency's will need to remain independent and maintain its autonomy in capacity building and facilitating the space for dialogue between civil society and the Panchayat Raj Institutions (PRIs).

3.56 The Sunderbans project came as a request from GoWB and was viewed as a one-off project with the potential to register quick measurable impact on the lives of women. It was aligned to the SAP in that it would directly benefit women and provide livelihoods options for them – an established area of need in West Bengal<sup>17</sup>. Unlike the rest of the West Bengal programme, this was designed as a 'quick win' from the

<sup>16</sup> Hayden and Mishra (2002)

<sup>17</sup> West Bengal HDR (2004)

outset. The project design benefited from good discussions with other donors and efforts to incorporate learning from other donor projects. It is thus regrettable that it has been frozen under the current funding constraints. If funded it might have provided interesting lessons regarding running direct, targeted and rapid poverty reduction investments alongside longer term transformative programmes<sup>18</sup>.

### Growth of the portfolio

3.57 An internal review of the West Bengal programme in 2004 by DFID highlighted the rapid increase in project spend from £7m in 2002/03 to £18m in 2003/04, with a projected £45m by 2006/07. Consequently the review found that there was a *“change in perception of West Bengal as a “difficult” state, resistant to donor engagement and the West Bengal team as a team of few deliverables to a flagship state programme and team!”* This was ascribed to the West Bengal’s programme’s flexibility to position itself strategically so as to grasp the opportunity presented by a newly reform-minded government, willing to do business with donors. This analysis attributes a large degree of agency to the West Bengal programme.

3.58 The SAP assumed that PRBS would go ahead in West Bengal, resulting in a full spend against commitment through the existing programmes plus state PRBS. With that option removed by GoI, the West Bengal programme started to consider what further programmes should be brought into the pipeline. Ideas, mainly proposed by GoWB included: PSE phase 2, technical assistance (TA) alongside possible ADB budget support, sector support to education along the lines of HSDI, modernising government and governance reforms, disaster mitigation, ‘agriculture’, extending KUSP outside Kolkata, and an area-based programme in the Sunderbans. It is important that if the programme does expand further, it maintains its coherence, and that new investments add value to the ‘set pieces’ already in place.

3.59 The key lessons for scaling up would appear to be, a) knowing when the scaling opportunity has arrived – this relates to good intelligence, especially of local politics, b) being flexible – part of the strength of PSE was DFID’s responsiveness, c) having scalable programmes – initial HSDI activity was support to strategy development, and as intended, it rapidly expanded, and d) having an appetite for risk – many of the programmes looked more risky when conceived in a less reform minded era. It should also be noted that where scaling-up does not progress as planned, contingencies are needed – these are most easily delivered through maintaining some fungability the state and national programmes.

### **Portfolio assessment**

3.60 The portfolio is very heavily predicated on a cause and effect chain that in essence says: ‘we will provide support to reforms – mainly reforms to achieve decentralisation, decentralisation will improve service delivery, and hence poverty will be reduced’. i.e. that democratic decentralisation will result in greater participation in local political affairs, which will *“improve the quality and reach of government services, particularly the ones aimed at improving the lives of poor and politically marginalised groups in society”*<sup>19</sup>.

3.61 It is assumed that this indirect approach to poverty reduction should result in sustainable change and sustainable poverty reduction. Poverty reduction is of course

<sup>18</sup> It is understood that since the evaluation took place, this project has since been shelved.

<sup>19</sup> Johnson (2003)

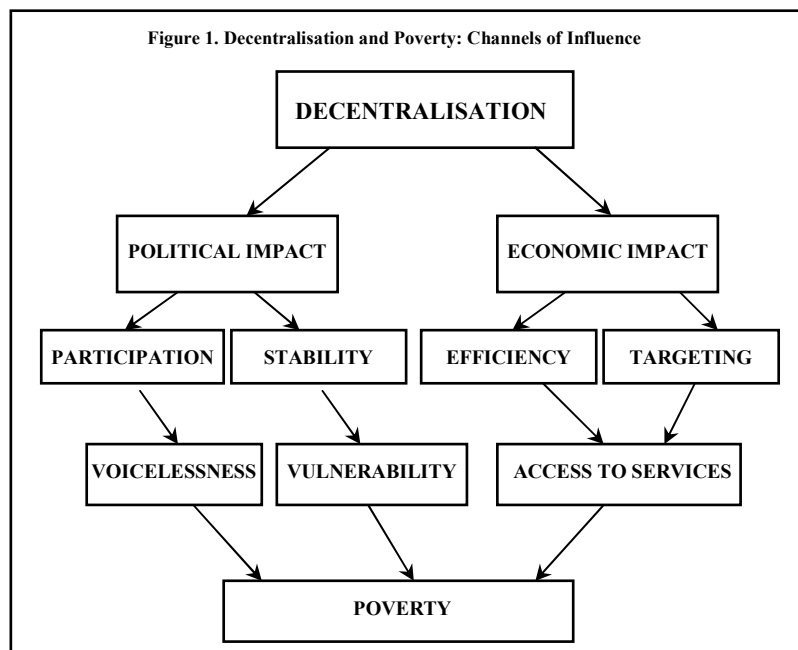
not that simple. For example the rationale behind the Sunderbans project was to demonstrate new ways of delivering services in disadvantaged parts of the state – raising the profile for addressing inequality in the state, and addressing concerns that the West Bengal programme is ‘so focused on reform and difficult change processes’, that ‘we should aim to complement this by having a relatively straightforward programme to directly address the needs of the poor’<sup>20</sup>. This is in essence a two-speed approach.

3.62 Similarly, the file correspondence for SRD demonstrates that headquarters was concerned that the ‘decentralisation – poverty’ reduction argument was not being made sufficiently clearly.<sup>21</sup> It is supported from documented evidence from India and elsewhere, which shows that there may be a relatively weak correlation between democratic decentralisation and poverty reduction<sup>22</sup>. This demonstrates the difficulty in the West Bengal programme because it has not clearly articulated its theory of change.

3.63 SAP Objective 2 focuses on decentralisation, and takes the GoWB 10<sup>th</sup> plan as its starting point, wherein decentralised and bottom-up planning are seen as a key premise for achieving the ‘alternative economic vision’ for the state. This involves GoWB devolving decision-making and financial powers to elected urban and rural local bodies, and making them more accountable for the delivery of basic

services. However, the analysis in the SAP does not go deeper than this. It makes reference to the 2004 World Development Report (WDR) – Making Services Work for the Poor, which discusses the links between decentralisation and service delivery. However, given the centrality of decentralisation reforms in the programme, there was little evidence that the strategy had benefited from specific study of the topic of decentralisation and poverty reduction (e.g. ODI: Johnson 2003; OECD: Jütting et al, 2004), or the type of drivers of change analysis which has been highly influential in a number of country programmes. This would ideally elaborate a theory of change regarding the routes by which decentralisation reduces poverty through targeting different facets – lack of voice, vulnerability, access to services (e.g. Figure 2) and would identify the prime issues for attention within decentralisation.

**Figure 2. Decentralisation and Poverty: Channels of Influence.**



Source: Jütting et al (2004)

<sup>20</sup> Hand-over notes from previous SPM (2005).

<sup>21</sup> Memo from Asia Director (9/05/02)

<sup>22</sup> Johnson (2003)

3.64 Only limited consideration was found of unpacking the decentralisation thesis. For example, in the SRD preparation documents, an adviser brings to the attention of the SRD team academic research<sup>23</sup> highlighting the key risk that political pressure determines flow of funds without regard to PRI plans for targeting the poorest (SCs, STs, etc), with resources staying with middle social and economic strata. This highlights a challenge for DFID – on one hand, its strategy is solidly one of support to GoWB in implementing its 10<sup>th</sup> Plan, yet on the other, without some interrogation of the government approach and engagement with the realpolitik, it cannot be certain that its objectives will be sufficiently met.

3.65 Some of these concerns will be addressed through the planned Poverty and Social Impact Assessment (PSIA)<sup>24</sup>. Although this will focus on the urban sector reforms initiated by the Government, it will examine the impact of health and family welfare services in the urban areas. It will analyse the distributional impact (both direct and indirect effects) of these reforms on the well being of different stakeholder groups with a particular focus on the poor and vulnerable – answering some of the key questions about decentralisation – poverty reduction linkages.

3.66 The PSIA work will feed into work on a Poverty Monitoring Framework (PMF). GoWB is in the process of moving beyond broad strategic objectives to a better understanding of what concrete policies and actions are needed to reduce poverty and improve living conditions in a sustainable way. TA from DFID will support this by developing a state PMF. The PMF will address the findings of the West Bengal HDR, and analyse the existing GoWB mechanisms for targeting the poor, and the different urban and rural initiatives for poverty alleviation taken up by the Government. It should provide a sound basis for whatever strategy DFID adopts to follow the SAP.

### **Longer term strategy**

3.67 The SAP runs to 2007, and a key issue for DFID in West Bengal is the next phase of support to the state. This cannot be considered in isolation of DFID India's wider country strategy, which has to include its thinking on matters such as the approach to progressive states like Andhra Pradesh, and to reforming states with high levels of poverty, such as Bihar. India's place on the international economic stage and it attaining Middle Income Country<sup>25</sup> status will also influence thinking.

3.68 Since the evaluation team was in India, DFIDI has commenced consultations for its new CAP<sup>26</sup>. At this stage it does not make explicit reference to its possible plans for West Bengal. Given the strong relationship DFID enjoys with GoWB, it is assumed that the CAP consultations will include them, and would cover the medium and longer term strategy for the state programme.

3.69 The 2004-07 West Bengal SAP gave indications that DFIDI's longer term strategy was likely to include a review of the case for continuing with focus states that are making good progress with poverty reduction. This included the possibility of providing higher financial resources over the next plan period and then possible

<sup>23</sup> Ghatak and Ghatak, Economic and Political Weekly, 05/01/02.

<sup>24</sup> Since the evaluation the PSIA has been shelved due to GoWB's reluctance to undertake it

<sup>25</sup> Currently forecast to be in 2013.

<sup>26</sup> DFIDI (2007). *Ending poverty in India. Consultation on DFID's plan for working with Three Indias.*

graduation for the state (taking into account the latest guidance<sup>27</sup>). Gol's development of the 11<sup>th</sup> Plan will provide an additional dimension to the dialogue.

## Managing the portfolio

### Staffing

3.70 2004 saw the departure of the social development, governance, economics, and rural livelihoods advisers, deputy programme manager and state representative from the West Bengal team. The health adviser and state programme manager also changed in the first part of 2005. Thus, with the key exception of one long-serving staff appointed in country (SAIC) team member, practically all the team changed in 2004. The main reasons for change included end of 'contract' period in West Bengal for UK-based staff, and promotions to other country offices for SAIC staff. This change of staff had implications for institutional memory, continuity and relationships. At the corporate level, it demonstrates that HR needs to be managed better in support of delivery the SAP. While the files show that hand-over procedures have improved over the period, a similar exodus is likely in 2007. It is important that the exodus is actively managed by the State Programme Manager, so as to maximise hand-over opportunities and minimise hiatuses. In the longer term, DFID management should seek opportunities to get the staff rotation cycles more out of sync, so that they have a less significant impact.

3.71 The size of the staff complement appears in proportion to the size of the portfolio – both in terms of its number of programmes and their budgetary allocation. The West Bengal team also appears to currently have the right mix of expertise to run the programme, with cross-cutting advisers in social development, governance and economics, sectoral advisers covering human development (health), rural livelihoods and the urban sector, and a cadre of programme staff.

3.72 Over the evaluation period, the team has tried a number of approaches to ensure that the necessary skills and expertise are made available in the right mix to each programme in the state. This has included cluster teams and task teams, led variously by team leaders and team coordinators. Task teams meet fortnightly, use a programme work plan as the basis for their discussions, and are considered by the teams themselves to offer a clear contact point for partners. In general, each team is led by an adviser supported by a project officer from the administrative cadre and a wider advisory team. However, this is not consistent across all programmes. HSDI and KEIP teams are led by the project officer.

3.73 It was found that there continues to be some confusion for staff over roles, responsibilities and reporting lines in teams. The evaluators also considered that the use of cross-cutting advisers was not yet optimal. The balance between demand by task team coordinators for advisers' services and advisers independently offering advice to the programme is currently tipped towards the former (demand-pull) which has led to some gaps in coverage. Thought should be given by the state programme manager as to how cross-cutting advisers are motivated and empowered, as the team has a very strong set of these advisers, who need to be best utilised.

---

<sup>27</sup> DFID (2006) *Good practice in transforming or closing bilateral programmes*. A DFID Practice Paper. This document provides guidance on areas such as partner participation, communication, risk management and managing the transition when graduating from programmes.

### Structural/Internal issues

3.74 DFIDI was restructured in 2000 to create the national team and four state programmes from the earlier sectoral programmes. By 2003, although there was more cohesion around the new structures, and while relationships with the partner States had developed well, there was seen to be some operational weakness. Hence a 'remodelling' exercise was carried out in 2003 to improve performance and enable DFIDI to improve delivery of its new Country Assistance Plan (CAP).

3.75 A finding from the remodelling exercise was that *"the cultural and institutional baggage of project management are still prevalent"*. This is supported by current evidence. The Team Plan states that the management model for the large sector programmes is to contract out technical support, allowing DFID staff to play a more strategic role. However, there is a sense that despite operating in a programmatic environment, in which many programmes are mainly managed by external implementation units, there is still a tendency to approach them as projects. The positive aspect of this is that DFID has very regular contact with implementing units, especially those within GoWB. However very regular phone calls about the fine detail is indicative of a hands-on management approach. This detracts from working at a strategic level, and can lead to too much focus on inputs, activities and outputs, and too little on outcomes and impact, and higher level monitoring and evaluation in general.

3.76 The following, still valid, recommendation comes from the remodelling exercise report<sup>28</sup>: *"A shift is required from a pre-occupation with activities and inputs to outcomes and impact." Hands off management' does not mean neglect but having a 'light touch', being clearer about when and how to intervene whether in project cycle management, contracting relationships or policy dialogue. Performance indicators and monitoring of impact are more not less important when trying to work in a more strategic and political way. Engagement with politicians, civil society and significant reformers needs to be part of a strategy not left to serendipity. Managing a tighter process in an effective way requires more control of resources not in a rigid constraining manner but in a supportive enabling way."* A less intensive management approach should be accompanied with activities to build the confidence, capability and independence of Project/Programme Management Units (PMUs).

### State Office

3.77 The West Bengal programme is run and staffed from the DFIDI office in Delhi. The programme has a West Bengal State Office (WBSO) in Kolkata staffed by the State Representative (SR) and a programme assistant. The overall objective of the WBSO is to "help develop and maintain a conducive environment for smooth implementation of the West Bengal State Assistance Plan"<sup>29</sup>. It has five main tasks:

1. relationship management – developing and maintaining good relationships with key change agents and ensuring access to ministers and secretaries
2. knowledge management – providing an intelligence function on political and economic developments in the state, and sharing information with other donors; complementing the work of the High Commission

<sup>28</sup> Thornton et al (2003)

<sup>29</sup> TORs – WBSO (2004)

3. representation – acting as contact point for DFID in the state, implementing the communication strategy, liaising with the High Commission
4. programmatic support – participating in Task Teams, representing Delhi staff in their programmes as necessary, leading on implementation of CSSP
5. administrative support – including making travel and lodging arrangements for visitors to the state.

3.78 Views on the WBSO obtained during the evaluation, ranged widely, from ‘it’s just a post box’, to ‘the whole team should be based out of the State Office’. The evaluation concluded that there is a clear need for DFID to have representation in the states in which it has major programmes, but that organisational constraints mean that a programme entirely based in the state is not practicable. There would be some merits to a state-based team, for example in regard to close contact with GoWB. However most recipients thought there was sufficient direct engagement at present – there is also the question of GoWB’s absorptive capacity for meetings with donors.

3.79 The evaluation team was impressed by the willingness of the state team to fly to Kolkata for short visits to their programmes. There is very frequent travel between Delhi and Kolkata, as well as use of telephone conferences. The annual domestic travel budget for the team for 2006/07 is £70,000.

3.80 The State Office and its staff are a valuable but underused resource. Commendable efforts are made to be inclusive of the WBSO staff, and good use is made of teleconferencing by the programme teams. The TORs describe an appropriate role for the WBSO, but there is scope to further clarify the role of the WBSO in programme review missions, including JRMs. In addition to missions, there is a clear role for the WBSO staff to be more involved in field level monitoring, as part of an impact verification process. It is also considered that it would be more efficient use of Delhi-based staff time to pay slightly longer visits to Kolkata. This would provide a stronger team presence in Kolkata, enable WBSO to be a more integrated part of the programme and help build even stronger relationships with GoWB and partners in West Bengal.

#### State vs National programmes

3.81 The dynamic between sector programmes and state programmes, and state programmes and national programmes has been a key issue for DFIDI since the office was established. It was at the heart of both the restructuring and remodelling, and continues to be under review. It is not within the scope of this evaluation to fully address this country-level issue. However it does impinge on the implementation of the SAP, particularly in the education sector, which has become increasingly dealt with through the national programme.

3.82 DFID was the only donor to support DPEP in West Bengal, though DFID has been influential at a national level in developing a harmonised donor approach to support the wider DPEP concept and SSA. At the state level, DFID has does not seem to have engaged with UNICEF and the EC who support small scale education interventions in the state.

3.83 The efficiency gains of large national programmes, supporting centrally sponsored schemes, and attracting multiple donor funding are quite clear. They

provide effective means by which to manage large resource-transfer programmes and support them with targeted TA and advice. SSA demonstrates this, and shows that transaction costs can be reduced all round, particularly if the GoI partner manages an effective JRM process. However, the successes of PSE and HSDI demonstrate that proximity and a close relationship with a state partner can lead to deep reform. A state approach has been worthwhile in West Bengal, as it has permitted a level of interaction with GoWB that has led to long term change in the way government approaches some sectors.

3.84 Over time the main national programme sector – education - has had less involvement from the state team. This is unfortunate as in this sector, and more widely, the state and national programmes would benefit from more interaction, the state programme in running lean and ‘hands-off’ programmes, and the national programmes in gaining traction in difficult areas, such as institutional issues in West Bengal education.



### Summary of findings

- ❖ DFID's state strategy during the period under evaluation is covered by two sequential strategy documents – the State Strategy Plan (SSP) and the current State Assistance Plan (SAP). These both relate to their country level plans. There is a good degree of consistency and continuity between the two state plans.
- ❖ The SAP outlines a portfolio with a fairly small number of programmes, each with significant spend - a streamlined programme, with the aim to achieve an ambitious set of reforms. Most of the programmes outlined in the SAP were in design during the SSP period.
- ❖ The strategy is reasonably well aligned with the 10<sup>th</sup> plan. It is well aligned to the GoWB desire to improve service delivery through decentralisation; provides good support to its economic development objective, through PSE; and to its education objective through DPEP and SSA. DFID recognises that GoWB's infrastructure development objectives are better met by the ADB, though the next phase of PSE will be in infrastructure-related sectors. Since EIRFP closed, DFID has not continued to directly support the important agriculture sector.
- ❖ The SAP is thin on the analysis of causes of poverty in West Bengal, and similarly lacks an explicit and overarching theory of change, such as a Drivers of Change analysis, explaining how the elements of the portfolio will work together to cumulatively achieve poverty reduction.
- ❖ The SAP has a strong focus on decentralisation as a means to better service delivery, but the rationale of support to decentralisation, leading to improved services and reducing poverty could be better articulated. The SAP is largely a strategy defined by its programmes - it lacks a unifying vision for the state. This is not helped by GoWB not producing a poverty reduction strategy document.
- ❖ The programme has successfully tripled annual spend over the evaluation period, with a notable increase between 02/03 and 04/05. A new reform-minded Chief Minister has been key to providing the opportunity for DFID's programme of reform programmes to move forwards more rapidly.
- ❖ A significant feature of the West Bengal programme is long planning and design phases for its main elements. For HSDI, KUSP, KEIP, SRD, and CSSP, the average design period was 41 months from PCN to approval. GoWB consistently commented that they considered this overly long.
- ❖ DFID responded quickly and flexibly to support to public sector enterprise restructuring. An innovative sector budget support programme was developed in health, based around initial development of a sector framework.
- ❖ DFID is in the final year of the current SAP. Consultations have now commenced on the new CAP, though these do not currently make explicit reference to West Bengal. Given the strong relationship DFID enjoys with GoWB, it is assumed that the CAP consultations will include them, and would cover the medium and longer term strategy for the state programme.
- ❖ A significant proportion of the State Team is due to move to another post in 2007. Steps are needed to minimise the impact this has on programmes.
- ❖ Programme staff maintain close contact with the programmes they manage or advise on. Such a hands-on management approach absorbs time for upstream activities, and risks problems arising from treating programmes as projects.
- ❖ A presence is required in Kolkata, and given other constraints, the State Office has reasonable and appropriate TORs. However, the State Office and its staff are underutilised.
- ❖ The education sector provides useful lessons on the dynamic between national and state programmes, such as achieving a balance between high spend, low transaction cost national programmes and closer political engagement to improve the traction of reforms.
- ❖ A state approach has been worthwhile in West Bengal, as it has permitted a level of interaction with GoWB that has led to long term, and in some cases rapid, change in the way government approaches a number of sectors.

---

## 4. Programme Effectiveness

### Results

4.1. The results of the programme are the extent to which projects and programmes have achieved their objectives. Where available, this is assessed from project output to purpose or completion reports. With a relatively young portfolio, progress with programme design is also reviewed. References to project scores in this chapter relate to DFID's project review performance assessment system<sup>30</sup>. Each main programme area is dealt with in turn and the chapter ends with an assessment of overall performance and of the state programme's contribution to DFID's Public Service Agreement.

### Public Sector Enterprises

4.2. PSE was very successful in achieving its objective of supporting policy reforms that promote pro-poor growth through fiscal stabilization and good governance. At project completion, it scored '1' having fully achieved its objective of reducing GoWB fiscal support to public sector enterprises in West Bengal. It succeeded in retrenching 6,000 workers and providing them with compensation through the Early Retirement Scheme (ERS). The Social Safety Net Programme (SSNP) has trained 2000 workers, of which 500 have been re-employed. The project has helped to reduce the fiscal deficit by generating some \$20 million (£10.7m) in savings, from closing or restructuring most PSEs, and \$10 million (£5.3m) from the sale of the Great Eastern Hotel and other assets.

4.3. Impact on pro-poor areas as a result of the savings in PSE is difficult to measure. Firstly, the amount of savings in the overall context of the state's fiscal deficit is fairly small. Secondly, there is no system in place to correlate the savings to increases in state social sector spending, especially in health and education.

4.4. A key success has been the way in which GoWB approached the thorny issue of retrenching public sector employees. Good use was made of communications at all levels. DFID's State Office played a role, handling media enquiries, though GoWB led the stakeholder consultations, including the critical ones with trade unions. Several articles in the press explained different aspects of the reform process. As a result, workers understand the need for reforms and the government is now in a position to undertake more radical reforms in the power and transport sectors, which will have a much larger effect on reducing the fiscal deficit. The programme scored well on governance and accountability - the level of transparency with which the project was implemented was unique both at the general public level and at factory level. Each worker was given a copy of the company's balance sheets. This promoted a new culture of accountability where everything was in the open.

4.5. Whilst PSE was very much a GoWB initiative, DFID provided the road map to carry out the reforms based on experiences in other states, and it leveraged its influence as a donor to push GoWB to undertake bolder measures than they had originally planned, such as closing loss making enterprises and privatizing through joint ventures. The technical assistance, provided by PricewaterhouseCoopers (PwC) was well respected by GoWB.

<sup>30</sup> Five point scale: 1 – project will achieve all objectives; 2 – likely to achieve most objectives; 3 – likely to achieve some objectives; 4 – likely to achieve few objectives; 5 – unlikely to achieve any objectives. DFID's PSA Value for Money Indicator is for a rising proportion of projects rated 1 or 2.

4.6. Key signs of the success of PSE include closure or restructuring of more than 34 PSEs, more than double the original target of 16, agreement by GoWB to close the remaining restructured PSEs in the programme if they do not become viable by the end of 2006, and GoWB's enthusiasm to tackle more difficult reforms under the planned PSE Phase II in the transport and power sectors.

### Health

4.7. The overall conclusions with respect to **early health sector projects** were that system-wide deficiencies severely limited their impact, and that structural problems in the health system would be most effectively addressed through a sector wide approach.

4.8. Specifically, the **WB Reproductive and Child Health project** (1996-2002) provided many lessons on factors influencing health sector projects. The PCR stated *"This project suffered from a radical change in priorities both in the ODA/DFID transition process, weak capacity, poor ownership and poor prioritisation and commitment within the Dept. of Health and Family Welfare (DHFV). The management capacity in the project staff and DFID's inability (due to external factors beyond DFID's control) to contract a management agency in time to assist DHFV with management and planning of inputs ... did not give the project a chance to fully realize the extension phase purpose.* The final recommendation of the evaluation was to engage in a SWAp approach for RCH. But after a short bridging period, DFID support for RCH was mainly channelled through the National RCH programme.

4.9. The **WB Sexual Health project** (1995 – 1999, extension to 2001) provided support for targeted HIV/AIDS prevention interventions, especially Sexually Transmitted Diseases (STDs), through creation of institutional capacity among project partner organisations, to help them provide sexual health services. The project was extended to bridge the transition of support to the State Aids Control Society (SACS). An evaluation in 1999 of four of the largest NGOs noted consistent success in using targeted interventions to achieve the project objectives in West Bengal.

4.10. The **Water and Sanitation Project** Phase I (1999 – 2004) was executed by UNICEF, as part of multi state effort. It has had some impact, and also contributed to policy development/change in India. DFID did not support the subsequent Phase II.

4.11. The **Health Sector Development Initiative (HSDI)** – sector budget support to the health sector – followed these projects. This was the first such sector programme in India, and a highly relevant response. HSDI had a long design period – slowed by political, technical and bureaucratic factors. From 2001-2003 there appeared to have been too little engagement by DFID, followed by overly high expectations from both DFID and GoWB on the pace of the SWAp development. DFID appears to have underestimated the complexity of the process in the WB context. There are also indications that DFID had limited capacity to develop sector programmes, so that there was very heavy reliance on consultants. This may have been a function of insufficient experience of sector programmes, of high staff turnover, of the nature of internal organisation, or all three. These factors are expanded upon in the box below.

**Box: Factors in developing a Sector Budget Support programme.**

HSDI is the first state level Sector Budget Support (SBS) in health, and of interest to DFID and other donors as a model. The approach was a result of convergence of GoWB interest, consultant input and DFID corporate health policy, expressed by DFID staff in 2000/1. The following are factors which affected the time taken to commence the programme:

- DFID consultant(s) allowed to work in isolation without concomitant DFID interaction at political/senior DHFW level, to promote the approach.
- The linear strategy of the HSDI design process, with the SHP as a conditionality for next steps of HSDI development and later with the bureaucratic sequence of steps both in DFID and GoI, delayed the finalization of HSDI.
- Greater DFID presence in Kolkata during design and negotiation with DHFW would have accelerated the process.
- The arrival in early 2004 of a new West Bengal Principal Secretary for Health, supportive of the approach, opened the doors to a faster HSDI evolution,
- A 6 month gap between DFID health advisers led to a loss of momentum

4.12. There was a distinct turning point in early 2004, where the process notably accelerated. Once on stream (mid 2004), HSDI milestones suggest reasonable implementation and monitoring. The Technical Assistance Support Team (TAST) critical for accelerating the HSDI implementation, were only in place in March 2006.

4.13. The health outcomes in the GoWB Strategic Health Plan (SHP) 2004-2013 are reflected in the Logical Framework for HSDI. As several of the WB state indicators are better than the national equivalents, the SHP indicators are similarly more ambitious (Table 5). Nutrition indicators are absent in HSP Goals.

**Table 5: Health Outcomes West Bengal**

Health Outcomes	West Bengal (SHP)*	10 <sup>th</sup> Plan 2007	RCH II 2004-9	Nat Pop Policy 2010	West Bengal 2010
Neonatal Mortality Rate	31.9	26		20	15
Infant Mortality Rate	48.7	45	35	30	21
Maternal Mortality ratio	266	200	150	100	70
%Institutional deliveries	n.a			80	80
% Deliveries with Skilled Attendance				100	100
HIV/AIDS	n.a	Zero-level growth		Contain spread of HIV/AIDS	Zero-level growth
Fertility Rate	2.4	2.3	2.2	2.1	2.1
% Children fully immunized	43.8		100		100

\* data Census (2001), RS and NFHS 2 (98/99)

4.14. HSDI is sector support that should increase overall efficiency and effectiveness of the State Health Programme, but limits its Purpose OVIs indicatively to Maternal and Child Health. Outputs correspond to the HSDI milestones but most are not easily quantifiable. The 2006 Annual Review confirmed that the majority of milestones are processes underway, but there had been little impact on service delivery, health status and poverty to date. Given the late start of the HSDI and the nature of systems strengthening there is unlikely to be a significant impact before 2009/10. However there is evidence of commitment on the part of the Department of

Family Health and Welfare (DFHW) to take a performance-based approach, breaking down the 'silo-thinking' and building on opportunities to engage in Public Private Partnerships.

4.15. Other positive results from HSDI include - the first draft Annual Plan, formulated for 2006/7 and ToRs for District Planning finalized and improvements in financial management. The DHFW budget has increased by 19%, consistent with the agreement with DFID. There are also important recent, but less tangible effects of HSDI: increased effectiveness of DHFW planning due to diminishing 'silo-effect', and introduction of the notion of performance-based disbursement among civil servants

### Education

4.16. Within the education portfolio, DPEP 1 was completed in 2005 and DPEP 2 in 2006. A number of DPEP outcomes were successfully achieved: enrolment increased to 95%, virtual equity with respect to gender, a significant increase in the numbers of SC and ST children studying in school (though a large number of these children study in the informal schools – Shishu Shiksha Kendras (SSKs) - rather than the formal government schools), and strong community demand for education engendered. However, in other respects, particularly related to quality of education and policy reform, DPEP has made less headway. Gol has currently labelled West Bengal as one of the most poorly performing states with respect to reform in elementary education. However, whilst the DPEP 1 and 2 annual Output to Purpose Reviews (OPRs) consistently gave ratings of 3 at purpose level, signs of improvement began to emerge towards the end of the programme in 2006, and the PCR, which was finalised after the evaluation took place, gave DPEP 2 a rating of 2 at purpose level. Overall, the programmes were amongst the poorer performing ones in the state portfolio.

4.17. The PCR for DPEP 1 records that 3 out of the 8 outputs are likely to be largely or completely achieved i.e. those relating to access to education, alternative provision and community ownership of education. However, other targets, related to quality of education are recorded as likely to be only partially achieved, whilst those related to institutional and managerial capacity and lesson learning score 4, indicating little progress in these areas. Whilst acknowledging that progress on enrolment had been made, concerns were expressed that a dual system was being created whereby government schools administered by the State Education Department (SED) remained separated from the informal schools, serving most of the SC and ST children, administered through PRDD. The PCR gives a rating of 3 at purpose level and records that less than 60% of funds approved had been spent.

4.18. DPEP 2 came on stream in 2000, 4 years before the completion of DPEP 1 and early stages of the programme reveal similar results to DPEP 1, particularly with respect to building institutional and management capacity. At its outset DPEP 2 was put under 'special measures' by the Gol due to the poor performance of DPEP 1. However, whilst the Annual OPRs still consistently gave ratings of 3 at purpose level signs of improvement began to emerge towards the end of the programme in 2006. In particular over 80% of the budget had been spent by January 2006 and most of the posts lying vacant had been filled by June 2006. The report of the 23<sup>rd</sup> JRM of DPEP shows evidence to suggest progress in that recommendations from the previous mission were largely acted upon.

4.19. With respect to achievements the JRM report says “*no doubt one of the Programme’s greatest achievements is to universalize access to primary education in the five districts*”. It also highlights the fact that the gender gap in primary education has virtually been closed and the successes with alternative schooling and Bridge Courses. However, concerns were expressed about how children completing Bridge Courses and studying in Education Guarantee Scheme (EGS) centres were being mainstreamed into formal schools. It goes on to suggest that there are some signs of completion rates improving but calls for more accurate data to justify this assumption.

4.20. It is in the area of improving the quality of education that least progress has been made particularly in the area of teacher training and innovative approaches to learning. The 3<sup>rd</sup> Annual Review of January 2006 reports that:

*“The state has made very little progress on teacher training. A detailed training plan needs to be prepared by SPO in consultation with the department of education and Boards for primary and secondary education and simultaneously the institutions of SCERT / DIET / CLRC/CRC need to be made functional in the entire state to implement the training plan.”*

4.21. The 23<sup>rd</sup> JRM reports that action was taken on this recommendation. However, it also states that: “In West Bengal the academic support structures are not yet in place and as such quality improvement efforts in that State are being constrained as a result”. Whilst there are signs that GoWB are beginning to tackle issues related to quality of education there were too few signs of quality improvement at the close of the project to suggest that targets relating to quality had been met.

4.22. SSA has made great strides in supporting states to deliver effective elementary education to children between the ages of 6 and 14. However, whilst the strategies have been very effective in some states, others have been less receptive to making the necessary innovations and policy changes for implementing the programme. GoI has consistently rated West Bengal as one of these poorer performing states. GoI is aware of the particular constraints in West Bengal, including the need to rationalise the large number of curriculum and training institutions operational at elementary level to ensure holistic delivery of elementary education throughout the state, and is supporting the state to overcome this and other constraints to effective implementation of SSA.

4.23. However, sustainability of interventions made initially under DPEP and subsequently under SSA is dependant on GoWB continuing to meet its percentage share of SSA funds, 25% under the 10<sup>th</sup> plan rising to 50% under the 11<sup>th</sup> plan, and to it utilising SSA funds appropriately to reform the elementary education system within the state. Only half of the SSA funds were utilised in 2004-5 which suggests either that absorptive capacity had been reached or that the GoWB was reluctant to meet the 25% share of the full amount allocated to WB under SSA.

#### Urban Programmes - Decentralisation and Service Delivery

4.24. There has been considerable progress at activity level in both KUSP and KEIP particularly in terms of key studies and plans, example e.g. organisation development plans for all 40 Urban Local Bodies (ULBs) and support organizations in the case of KUSP, and an organisational and human resource review for Kolkata Municipal Corporation (KMC) in the case of KEIP. Similarly training, pilot Geographic Information System (GIS), computerisation, development of citizens’ charters, and creation of in-slum infrastructure are well underway. Spend in KUSP has more than

doubled to £5.78 million in 2005-06, compared to the preceding two years. Spend in KEIP is again expected to increase sharply in 2006-07. Thus the favourable OPR scores appear justified.

4.25. Development of improved government planning, budgeting and service delivery systems are in various stages of design. KUSP has designed an elaborate set of guidelines (17 volumes) for preparation of draft ULB development plans, including guides on preparation of: financial plans, citizen interface plans, internal process and systems development plans and organizational development plans. The municipalities are in the process of preparing these plans using the guides, and doing so in a participatory manner. As a part of KEIP, KMC has developed a statement of vision and strategy for capacity building that envisages strengthening of systems for pro-poor programme delivery, resource mobilization and financial management, citizen report cards, etc. The strategy has yet to be implemented, so it is too early to judge progress. Nonetheless, there are positive signals: citizens' charters and grievance redressal systems have been set up in several municipalities under KUSP, and KMC has published a list of projects to be executed by them together with a timetable and budget. In both KUSP and KEIP, there are plans to improve information flows and improve responsiveness to the public on service delivery.

4.26. It is difficult to judge the progress of the two programmes at output level since indicators have not been systematically formulated and monitored. In addition progress resulting from support to implementation of 'core' institutional reforms is slow. These reforms include revising the respective roles of government, support organisations and local bodies, as well as the delegation of financial and administrative powers<sup>31</sup> the case of KUSP, rationalising the organisational structure, and strengthening HRD practices within KMC and improving tax collection in the case of KEIP.

4.27. KMC has also prepared a comprehensive capacity building plan which sets out a road map for strengthening the governance environment, and other parts of the necessary reforms are emerging, but donor promotion of governance reforms is a sensitive area that has to be led by the relevant public sector bodies. Nonetheless, there is a need to strengthen attention on ensuring tangible results from internal efforts at reform in public bodies supported by programmes.

4.28. The way in which operations and maintenance (O&M) has been costed (i.e. excluding salaries and wages in KUSP), and the fact that the cost of O&M and further capacity building is not built into post-KEIP calculations raise concerns over sustainability. The municipalities must be prepared to spend in these areas once the programmes end.



*Kolkata Urban Services Programme*

<sup>31</sup> There has been some decentralization of financial authority within Kolkata Municipal Corporation in KEIP. eg Ward level engineers can approve projects up to a value of Rs 50,000 (nil earlier).



---

*Rural Programmes – Livelihoods, and Decentralisation and Service Delivery*

4.29. **The Eastern India Rainfed Farming Project (EIRFP)** addressed natural resources management (NRM) issues, mainly in tribal areas, using *jankar* 'para-professionals'/social mobilisers to support community initiatives, and self-help groups (SHGs). An end of project impact assessment<sup>32</sup> found that the project had positive impacts in a number of livelihood areas; increased incomes, improved food security, reduced migration amongst the poorest households, and due to SHG membership, a greater sense of self-reliance. Whilst having a positive impact, concerns remained at the end of the project over the sustainability of both SHGs and *jankars*, and over the wider uptake of the agricultural improvements promoted by the project, linkage to markets and financial institutions, and general issues of going to scale.

4.30. W/EIRFP were long-running projects that were originally seen as highly innovative, for example in their use of a participatory approach. However, by the end they were seen as 'old paradigm' projects<sup>33</sup>. One critique is that they suffered from a weakness of being outside government – in particular, this made EIRFP less popular with GoWB in West Bengal. There was reportedly some tension between a project approach including NGO facilitation of SHGs, and a GoWB desire to channel project funds through the PRIs.

4.31. Following EIRFP, and with Rural Livelihoods Programmes in Andhra Pradesh, Orissa, Karnataka, and planned in Madhya Pradesh, DFID commissioned a scoping study to consider the shape of the next rural programme in West Bengal. However, GoWB expressed a desire for a rural governance investment, with a poverty fund, rather than a livelihoods project per se. This matched with what has been described as a 'soft corporate decision' to reduce involvement in the agriculture and natural resources sector, and a perception that the agriculture departments were less reform oriented than the Panchayats and the Rural Development Department (PRRD).

4.32. **SRD**, as designed, involved a number of significant risks, including fiduciary risk ('inadequate procurement procedures, accounting unreliable at all levels, and audit procedures weak'), risk that PRIs will not raise revenue through taxation, and the risk that GoWB will be unable to afford its contribution to the UPF. In addition there were the general risks of DFID being engaged with the third tier of government for the first time, and allocating very large sums into relatively open-ended vehicles (capacity building and UPF) in a 'risky environment'. As in HSDI, DFID undertook a detailed fiduciary risk assessment (FRA) of SRD, and satisfied itself that sufficient remedial measure could be put in place. Nonetheless, file correspondence shows at least three advisers continued to have reservations about the design, and counselled a smaller project and/or a more incremental roll-out.

4.33. Nonetheless, staged implementation did not become part of the design, and despite the design following a normal process of iterations between DFID-WB/I, GoWB and DFID headquarters, when SRD was eventually submitted to the Secretary of State (SoS) for approval only a staged approach was approved, with a £9m pilot phase as a proof of concept, rather than the full £130m requested. This had two impacts – it weakened the design by compressing the capacity building and UFP components, which were meant to occur in series, and it caused significant disappointment in GoWB - after four years of design work. This temporarily dented the relationship between DFID and PRDD who claimed that the reasons for the

---

<sup>32</sup> Xavier Institute of Social Services (n.d)

<sup>33</sup> Mosse, 2003

reduction in funding had never been fully explained to them. Relationships with PRDD have recovered, and this did not affect relationships with other departments.

4.34. SRD is a novel approach for DFID, and it seeks to achieve ambitious outcomes for the rural poor. However internal processes did not predict that Ministers would not give the submission unreserved approval. A staged approval was received. There were flaws in the pre-appraisal process, which required additional checks and balances and better cognisance of divergent peer views.

4.35. Given that SRD only commenced activity in early 2006, there are few results to report. Output 1, 'effective implementation of a roadmap and linked policy actions to deepen rural decentralisation' is ambitious in the reduced timeframe. However, recent DFID SRD Back to Office Reports indicate that PRDD has moved quickly and enthusiastically in getting the programme running.

#### Civil Society and Social Development

4.36. As of late 2006, the Managing Agent for CSSP had only just been appointed, after an extended selection procedure, widely criticised within DFID and outside by GoWB and civil society. While it is too early for results, there are nonetheless, useful findings and lessons about programme design.

4.37. The original programme budget was unrealistically high (£18m), and, despite a consultative start to programme design, reflected a poor understanding of the absorptive capacity of Civil Society Organisations (CSOs) in West Bengal.

4.38. The DEA approval process took longer than anticipated which was unavoidable. Nonetheless, during this time, there was little initiative taken by DFID to keep the informal network built up during the consultation stage informed about the delay in launching CSSP. This could have been avoided.

4.39. The final CSSP document has changed in some ways from the original idea, and has been at least partially linked to the SRD programme by the PRDD, who view CSSP as the 'accountability component of the programme'. In addition to the set-back of the funding cut for SRD, PRDD has been very disappointed by the delayed launch of CSSP. This has not enhanced DFID's reputation in the rural sector.

4.40. Since CSSP is the prime vehicle to meet the SAP objective of providing voice and accountability, it is important that DFID focus on the higher level objectives and ensure that it is not reduced to an adjunct to the SRD programme. The Managing Agency will need to address challenges at panchayat and gram sabha levels to ensure autonomy, and facilitate dialogue between the people and government so that the voice of the people is heard. DFID's lead on CSSP is the State Representative who is well placed to provide monitoring and feedback on these issues.

#### Emergency response

4.41. Following the September 2000 floods, a needs assessment was undertaken by the Conflict and Humanitarian Affairs Department (CHAD). The floods were a major disaster. 21 million people were affected, 3.5 million of them directly. At a DFID-organised donor coordination meeting, the following provisions were made:

1. Immediately, through UNICEF: £1 million for water, shelter and health interventions; through IFRC, CRS, CARE and Oxfam: £720,000. No evidence of evaluation of the use of these funds was found.

2. In addition, a Medium Term Rehabilitation/Mitigation support plan was proposed and eventually executed by KUSP, costing about £1 million. Its Goal was to help restore the livelihoods of communities most affected by the extensive flooding in the monsoon season of 2000, and to reduce their vulnerability to future floods. Its objectives were to:
  - meet the short-term food security needs of flood affected communities, reduce crisis mass migration and facilitate longer-term livelihood recovery of the most marginal groups
  - directly and indirectly reduce future vulnerability to flood events through participatory disaster mitigation measures
  - promote pro-poor disaster preparedness policy changes at Regional and State Government level.

The project was rated the highest of all projects in this period, with a project completion score of 1-2.

### **Effectiveness of different instruments**

4.42. Aid instruments are the ways in which resources are transferred and are a factor in programming choices. There are four main instruments: financial aid (which can be through general and sector budget support, and projects); grants and other aid to non-government actors; technical cooperation (know-how in the form of personnel, training, knowledge and research); and policy engagement. Modalities such as sector wide and programme based approaches, pooled or basket funds, social and challenge funds, and global funds are not aid instruments per se, but ways of organising and managing aid delivery.<sup>34</sup> This section reviews both the instruments used and the programming approach.

4.43. DFID's State Strategy Plan 2001-2003, notes that most donors' development assistance to West Bengal has supported discrete projects and programmes. While 'reasonably successful' in achieving their objectives, the sustainability of their impact was considered limited. The SSP ascribed this to factors including: lack of government ownership, inadequate support for recurrent costs, wide difference in standards of service coverage and institutional performance, inconsistencies between policies and resource allocations, and weakened management and administrative capacity caused by establishment of parallel structures for projects.

4.44. The SSP did not lay out any specific objectives to address these factors limiting achievement of sustainable impact, other than to state its approach would be flexible, balancing strategic engagement, programmatic funding and projects, and that it would aim to strengthen the linkages between policy, budget setting, implementation and M&E. There was no explicit discussion of changing the mix of aid instruments employed in West Bengal, although presaging later work in the sector, the SSP did commit DFID to supporting GoWB in developing a comprehensive strategy for the health sector.

4.45. Both the Andhra Pradesh and Orissa programmes included State Poverty Reducing Budget Support (SPRBS), and there were plans for this in West Bengal. SPRBS was planned to be over and above the programme expenditure of £30-40m. It was included as part of the first round of DFID – GoWB partnership talks on aid in

---

<sup>34</sup> DFID (2006) *How to note*: Guidance on aid instruments

2004. However, by the talks in February 2005, GoI had removed this option, as DEA was concerned that SPRBS could undermine states' fiscal discipline imposed from the centre. DFID remained committed to the same level of spend in the state, and thus sought additional programmes for funding.

4.46. The West Bengal programme is primarily composed of large sectorally oriented programmes. The exceptions are some planned technical cooperation – e.g. on the PSIA and poverty monitoring framework, and the planned Sunderbans project<sup>35</sup>. The most innovative aid instrument in the programme is the health sector budget support (SBS) – HSDI. Earlier, in preparation of the SSP, a state level education SWAp was under consideration, but this appears to have been subsumed by a national programme approach.

4.47. Analysis of the key constraints to health service delivery and assessment of options including projects, TA and SBS led to the conclusion that SBS accompanied by TA should be the instrument of choice for both DFID and GoI/WB. The use of SBS requires long-term engagement and a strong relationship with government. Hence it is too early to judge its effectiveness. The approach places heavy reliance on the TA management unit, TAST. While too early to judge TAST's role and approach, there are indications that GoWB is not entirely satisfied with the effectiveness of the team. Nonetheless, SBS is undoubtedly the right instrument for this sector as it increases the likelihood of effectively addressing systemic problems

## **Partnerships, relationships, communications and influence**

### *Relationship with GoWB*

4.48. In preparing the SAP, DFID funded an independent review of its West Bengal programme. This identified some areas where past efforts have not been adequate – for example DFID had not been very effective in collaborating with other development agencies and in complementing the DFID-supported national-level programmes in the state (principally elementary education) with ongoing sector-level dialogue in the state. Attempts at developing partnerships have been sporadic, and engagement with civil society has remained limited. This section reviews how well DFID has developed relationships and won influence across the SSP and SAP periods.

4.49. In West Bengal, DFID is viewed with respect, and valued as a partner - both for the funds it can mobilise and its intellectual engagement: *"If you want to have a discussion and debate issues then you should go to DFID for funds"*.

4.50. The West Bengal programme recognises the importance of relationships, particularly with GoWB - its 2006-2009 Team Plan states: *"Success in achieving our objectives is dependant on our relationship with the GoWB"*. Despite GoWB having severed relationships with most donors in 2003, including the World Bank, DFID has remained a trusted and preferred development partner. The relationship between the DFID-WB team and GoWB has developed such that DFID is well respected and well liked in West Bengal. DFID has demonstrated it can support the reform-minded government in difficult areas, such as public sector enterprise restructuring. Visits from UK Ministers (Secretary of State in 2002, and Minister in 2004), and regular visits by the Permanent Secretary to West Bengal have provided opportunities for high level dialogue and further strengthened relations between DFID and GoWB.

<sup>35</sup> Which it is understood is no longer in the portfolio

4.51. India is non-aid dependent and DFID is well aware that this creates a different dynamic to that in highly aid-dependent countries. Nonetheless, DFID is in a position of some strength - given the state of GoWB finances, and the high proportion of state budget tied up in recurrent expenditure, DFID can have leverage alongside GoWB's development budget, for example in the health sector. Respondents in GoWB stated that they like DFID for the accessibility of its grant funds. Also, DFID has gained political capital through high profile successes such as PSE. Thus, it is considered that there is room for developing an even more robust relationship with GoWB though this is clearly sensitive territory, and should be guided by senior management.

4.52. There have been recent examples of DFID having to communicate bad news to GoWB; notably the unexpected phasing of SRD by DFID Ministers; the drawn-out process to commence CSSP; and the reduction in the budget amount committed to HSDI in its 2<sup>nd</sup> tranche. Both the SRD situation and the HSDI budget release could have been better communicated to GoWB, who were essentially passive recipients of the news in both cases. These events reportedly temporarily dented the relationship with parts of GoWB. DFID has had difficult decisions to take, and where these affect resources, GoWB respondents stated that they would like to better consulted.

#### Partnership talks

4.53. In January 2004, DFIDI and GoWB commenced a series of annual partnership talks about aid in Kolkata. Participants included the Head of DFIDI, the SPM and key programme staff from DFID, and from GoWB, the Chief Secretary and mainly Principal Secretaries from the most relevant ministries (e.g. health, education, panchayats and rural development, public enterprises and industrial reconstruction).

4.54. In the 2005 talks DFID presented detailed analytical papers on growth and poverty in West Bengal, the fiscal situation, governance, and issues relating to inequality in West Bengal. These well researched papers cover existing GoWB programmes and discussed entry points for tackling the key constraints in each area. They are the type and level of analysis missing from the SAP. They provided the basis for discussion at the meeting. The talks also included updates from GoWB on the main programmes, and discussed new areas for DFID support.

4.55. Talks are now being led from the centre, and involve DFID, DEA and GoWB. Due to this change in arrangement, talks in 2006 were delayed until September. These set pieces provide a structure around which informal communications can be built. With the SAP in its final year, and the next CAP soon to be drafted the talks need to start shaping the next plan period.

#### Influencing strategy

4.56. The nature of government in West Bengal is such that Ministers are key decision makers. DFID has access and frequent interaction with top level officials, including Ministers and Principal Secretaries. Engaging at the political level is a necessary and calculated risk DFID must take, but given the stability of the Left Front coalition, and reform mindedness of the Chief Minister and much of GoWB, this is not a large risk. Before 2003 engagement was mainly with the bureaucrats; an approach which lacked analysis of the state's political economy. The informal change of approach has contributed to the relationship with GoWB moving to one more centred on supporting and achieving reform. PSE was a product of the new approach and served to build trust into the relationship.

4.57. Central to the relationship with GoWB are a number of individual relationships between programme staff and individuals in GoWB. For DFID, relationships need to be broad based for organisational leverage to be strengthened and also to mitigate risks such as high staff turnover – an inescapable reality given the current operation of the cluster system<sup>36</sup>, and SAIC staff moves within DFID.

4.58. The West Bengal team's own view, from its 2005 retreat, is that there is evidence of it having influence on strategic issues, and that it does have room to raise contentious issues. Hence the team believes their number one priority should be high-level interactions which provide opportunities to focus on strategic issues and influence where it matters. Nonetheless the team was concerned that it might not raise contentious issues strongly or directly enough with GoWB. Some such issues have sensibly been raised in relatively informal meetings.

4.59. Whilst there are clearly mechanisms for DFID to interact with GoWB, the programme does not appear to have documented its over-arching approach to communication with GoWB and how this relates to its policy processes<sup>37</sup>. Engagement is essentially programme by programme, and approaches to influencing and communication are tacit. Programme-wise engagement with individual GoWB departments reflects the structural set-up of GOWB operations, but partnership talks about aid provide a useful opportunity to engage with the government at a more strategic level.

### Communications

4.60. The SAP includes a one page Annex IV, which does not exist in most file copies; it is the Communication Strategy for the West Bengal State Assistance Plan. It does not meet the requirements of a strategic influencing and communication strategy outlined above but aims to build support for poverty reduction, and reduce opposition to reform measures. The target audience is broad: 'bureaucrats, politicians, civil society, private sector, media and the general public'.

4.61. The communication strategy identifies two strands – programme specific communications and general communications. DFID has been in general been quite successful in influencing government on a programme-related basis. Specific examples of this are seen from KEIP and KUSP, as well as PSE

4.62. In PSE it leveraged its influence as a donor to persuade GoWB to accept the recommendations of the managing agency, and to undertake bolder reforms than it had envisaged, such as closing loss making enterprises and privatizing through joint ventures. DFID's strategy was carefully crafted in collaboration with GoWB; given the controversial nature of the project, DFID deliberately chose to remain low profile and played an active advisory role in the decision making process. Through the strength of its experiences in other states, it managed to convince the government to take tough decisions to ensure that the reform agenda was on a secure path. The Government engaged directly with civil society to ensure that the public perceived the reform agenda as being entirely government owned and not externally driven.

4.63. In the urban programmes, DFID has managed its partnerships with the government well, and is well respected. The relationship has fostered ownership and

<sup>36</sup> The cluster system does not operate for SAIC staff, but a number of West Bengal SAIC staff have successfully won appointments to DFID offices in third countries, such as Rwanda and Indonesia.

<sup>37</sup> It does have on file a Communications Strategy, but this is very broad (see below), and does not fit with what is being considered here.

pride amongst key ULB and government officials as well as elected mayors. The Change Management Unit (CMU)/ULBs and KMC perceive that they are driving KUSP and KEIP respectively, although DFID's assistance and inputs are highly appreciated. Key bureaucrats as well as elected mayors perceive DFID as highly positive and constructive, and are appreciative of the role played by DFID in terms of exposure to new ideas and practices. They anticipate that capacity building (IT, GIS, training) will lead to better services, improved revenue and a reduction in corruption.

4.64. In health, there is no evidence of an explicit strategy for influencing GoWB towards SBS, nor of DFID politically engaging DHFW on the use of the instrument. In the period 2001/3 in particular, influencing and engagement work appears to have been inadequate, leading to the conclusion that DFID capacity for guiding the introduction of HSDI in terms of advocacy, promotion and communication was weak. Nonetheless, while not directly and wholly attributable to DFID, the SBS is accepted and understood at state level with clear signs of GoWB commitment in terms of taking the lead in HSDI process and commitment to funding. The early slow progress in influencing may have been fortuitous. Whilst a gradual approach was not planned, it was arguably sensible not to have pushed the reform agenda too fast, since GoWB political support was insufficient. The launch of HSDI in August 2006 was very positive being well publicised in the press and through events.

4.65. It is less clear from the strategy documents whether the West Bengal programme has had a clear vision for its general communications. The SAP annex suggests that communication should aim to 'inform, advocate and influence'. But the means discussed include an information stall in the British Council library and 'putting out more material on the DFID website', as well as cultivating key media contacts, and DFID advisers writing in newspapers. Two key strands of a good communication strategy are missing: (i) analysis of messages and media relevant to each type of stakeholder, and (ii) a coordinated approach to influencing.

4.66. An earlier review of the West Bengal programme<sup>38</sup> found that only the Development and Planning Department (DPD) had an overall appreciation of DFID supported initiatives in the state. It concluded that "while this is quite acceptable, the limited appreciation of overall strategy could become a constraint in the context of possible budgetary support by DFID. None of the line departments were aware of the State Strategy Paper, the sole exception being DPD." While SPRBS is now off the agenda, DFID's dialogue with GoWB has progressed from purely sectoral to include cross-cutting policy areas<sup>39</sup>. This requires a coordinated approach to high level communication.

### Relationship with Development Partners

4.67. The donor context in West Bengal has been influenced by the GoI decision in 2003 to reduce the number of donors active in the country, and to some extent by historical and ideological antipathy to donors in West Bengal. The World Bank ceased lending to West Bengal in early 2000 and efforts to bring ADB and World Bank on board with PSE were unsuccessful. This situation is now changing, with the World Bank potentially set to align their health sector investment to HSDI. DFID has tried to stimulate a donor forum in West Bengal. It met twice, with DFID in the chair, but did not continue, mainly due to lack of enthusiasm.

<sup>38</sup> Basav, 2003

<sup>39</sup> TORs for West Bengal State Office

4.68. DFID also sought to strengthen harmonization across donors by co-financing KEIP together with ADB, the only other donor in the urban sector in West Bengal. DFID's £28.3 Capacity Building Programme supported an ADB loan of \$220 million for environmental improvements and associated reform and capacity building in Kolkata. The DFID Capacity Building Programme was expected to begin first in order to facilitate effective management of ADB financed infrastructure. However, joint reviews did not take place and there is no single programme management unit as envisaged in the KEIP Project Memorandum. KMC and ADB perceive that there are no links between the infrastructure component financed by ADB and the Capacity Building Programme financed by DFID. The two components of KEIP work independently and harmonisation with ADB has not resulted.

4.69. In the social sectors, there was no explicit strategy for working with development partners (DPs), despite the sector approach to health being one that seeks to align donor inputs in planning, monitoring and evaluation. There were initial sporadic coordination attempts in 2003, and there is now evidence of gradually increasing harmonisation efforts with DPs including KfW /GTZ and EC harmonisation around supporting the State Health Plan (SHP) and UNICEF and GTZ participating in the July 2006 HSDI review. SPSRC, with DFID support, was set up as a GoWB coordinating body and is now organizing quarterly coordination meetings, with participation of a GoI coordinator from Delhi. How robust this form of harmonization is needs to be seen in 2007, when the World Bank will initiate the next health programme. Indications that World Bank will join the SWAp in the next phase of support are not encouraging.

4.70. DFID was the only donor to support DPEP in West Bengal, though it has been influential and effective at a national level in developing a harmonised donor approach to support the wider DPEP concept and SSA. At the state level, there is no evidence that DFID has engaged with other donors with regard to education, although both UNICEF and the EC support small scale education interventions in West Bengal.

4.71. Strong donor collaboration was sought by CHAD for the programme of humanitarian response to the 2000 floods.

#### Relationship with Civil Society

4.72. DFID's main effort to engage with civil society in West Bengal has been through CSSP. There was wide consultation in its design, including stakeholders such as UNICEF, international and national NGOs and other civil society actors. However, the extent to which it will engage with civil society is yet to be realised.

4.73. Although an explicit strategy is not in place, KUSP's innovative Challenge Fund (£3.5 million; 3.9 % of total budget) seeks to support and work with civil society organisations in undertaking innovative interventions and filling gaps in the delivery of services to marginalised groups. It is too early to assess the impact of the Challenge Fund – only about 8 proposals have been received from CSOs and NGOs to date. However there is a concern that development of civil society capacities for demanding better service delivery and making the local bodies more accountable does not appear to be an important aspect of the Fund.

4.74. While civil society participation in design of both the SHP and HSDI appears limited, HSDI's social appraisal sought to "*institutionalise mechanisms for voice, awareness and demand*" for making Primary Health Clinics (PHC) responsive and



accountable to the citizens and especially the poor. Expression of this is to be found in two milestones – the service quality index and the Behaviour Change Communication strategy. Both are under development and could not be assessed in the evaluation. There is some evidence of civil society involvement at the operational level, e.g. recent successes with community ambulances run by NGOs. However civil society is not very visible in the development of district plans, although selected NGOs have been invited to join the Strategic Planning Committee.

4.75. Engagement of civil society, especially trade unions and the media, was key to the success of PSE. DFID chose not to lead, but to provide advice, due to the sensitive nature of the reforms. The Government engaged directly with civil society to ensure that the public perceived the reform agenda as being entirely government owned and not externally driven.

4.76. Overall, while at the programme level there have been attempts to engage with civil society, DFID was not as effective as it might in communicating its aims and objectives to civil society at large. Engagement of civil society groups and the significant Kolkata intelligentsia could have enhanced the development dialogue and provided different view points to those developed through the close relationships with government. While individual programmes have used the media effectively (PSE and latterly HSDI), the media has not been used to promote discourse on DFID's development objectives, as articulated in the SAP in West Bengal.

### **The results orientation of the programme**

4.77. A review of the CSP in 2003 stated for the country level programme<sup>40</sup> that *“Because there has not been an articulation of the intervention logic linking activities with strategy objectives, programme level assessment of effectiveness is exceptionally difficult. Indicators and targets that link project activities to strategic objectives have not been established. In principle a project-by-project assessment of performance against objectives is possible .... However, this would not be sufficient to allow an assessment of the performance of the programme against the CSP objectives.”* The situation does not differ greatly in respect of the SAP in 2006. Whilst individually, the programmes have considered outcomes and impacts in their logframes, the state programme lacks a means by which results are aggregated to assess progress in the state as a whole.

4.78. DFID headquarters is concerned with the performance of DFID India, and not its component parts. Nonetheless, the state has been selected as a unit around which to assemble a programme of financial and human resources, and it is difficult to assess the success of this strategy if there is no aggregate results framework. Similarly, the purpose of the SAP is to support GoWB in achieving its objectives in the 10<sup>th</sup> Plan. It is difficult to assess progress on this without reporting at this middle level between sector programme and the country level.

4.79. At the individual programme level, as indicated above, results orientation exists, but is variable. In the DPEPs, physical outputs, such as numbers of children enrolled, number of new schools, numbers of teachers were monitorable. But monitoring results related to the quality of education has been a particularly difficult challenge. The monitorable results are able to give an indication of the extent to which DPEP contributed to the achievement of the education related MDGs but they

<sup>40</sup> Jones et al, CSP review. 2003

do not easily translate into assessing whether objectives in the SSP and SAP are realised. Also, to a great extent the monitoring of DPEP has remained outside the control of the state team who may or may not attend the JRMs. State team members are required to complete the OPRs and PCRs working from the JRM Aide Memoires and informed by the national education adviser and others participating on JRMs. However, follow-up is between the GoI and GoWB. The system of JRMs whereby development partners (DFID, WB and EC) and GoI together monitor DPEP and SSA (prior to SSA, DPEP was monitored by GoI and DFID) has proved an effective mechanism for broad monitoring of results but does not sit comfortably with reporting on the state programme as a whole.

4.80. In the urban programmes, end of project indicators are results focused. For example in KUSP: 80% of the poor report a 50% improvement (over baseline figures) in access to improved service and; at least 40% of the poor report an improvement in livelihood opportunities and security of tenure. However, use was not made of a results-based performance framework to assess progress. Progress was assessed through half annual JRMs, which mainly reviewed status on actions agreed in the previous JRM. Systematic identification and subsequent monitoring of intermediate outcome indicators would be an improvement. At present Output OVIs are not systematically linked to end of project Purpose level indicators.

**Box: Results orientation – self-assessment**

As a means to try to assess results at the level of the SAP, and to give the state team an opportunity for self-evaluation, the evaluation team retro-fitted a logframe to the SAP. This entailed taking the SAP objectives as Outputs and extracting statements from the SAP as Output level Objectively Verifiable Indicators (OVIs). The state team were then requested to review the OVIs and complete the Means of Verification (MOVs) for each. e.g.:

Output: 'Rural and urban decentralisation for improved access to more accountable and better quality services and opportunities, especially for the poor'

OVI: 'Greater devolution of functions to Panchayat Raj Institutions'

MOV: 'QSS data - Resource allocation to KUSP ULBs for year 2005/06 was based on QSS slum categorisation involving about 3500 slums. It also informed planning of livelihoods initiatives for the poor'.

Across the state team, a reasonably comprehensive set of MOVs for the SAP objectives was identified. This included purposive surveys, routine government surveys (e.g. NSS surveys), work by other agencies (e.g. UNDP and the planned 2007 HDR), and programme activity (e.g. citizen report cards for ULBs; HSDI Medium Term Expenditure Framework (MTEF)).

Even if not routine, undertaking this type of SAP self-assessment would be a useful exercise as the end of the SAP plan period approaches.

4.81. In CSSP a similar situation prevails - output level indicators do not relate well to progress to higher level objectives, such as good governance, human rights and empowerment, and gender equality. Overall, there is a need for programme M&E to be more focused on intermediate outcomes.

4.82. SRD has laid the foundations for a results-based monitoring system, which is a model worth wider replication. An agency has been engaged to undertake a wide-ranging baseline survey, which will establish starting values for a set of innovative indicators, including compound transparency, accountability and delivery indices.

4.83. In health, the HSDI monitoring system consists of annual JRMs, informed by the progress against milestones as agreed on with GoWB. At district and block level, monitoring capacity is being strengthened. However as the milestones concern

systems changes (and/or new system components), there is a need to monitor better at the operational level to validate assumptions and confirm the effectiveness of system changes. The annual reviews include field visits, but these are too episodic and superficial to perform this task. The HSDI Milestone approach can be considered for process indicators, and the Health Management Information Systems (HMIS), if functional, should provide data on Purpose OVI's related to outcome.

### Cross-cutting issues

4.84. HIV/AIDS: West Bengal is among the five focus states where DFID provides financial assistance for HIV and AIDS programming under National Aids Control Programme (NACP) Phase II. GoWB's health strategy contains a State HIV and AIDS Action Plan, which describes the State's planned response to the growing epidemic. However in HSDI there is little evidence of mainstreaming or linkage with HIV/AIDS. There is little evidence of HIV/AIDS having been mainstreamed in non-health sector programmes.

4.85. Gender and social exclusion. Gender has been included within the cross cutting principle of 'equity' both in the CP and the SAP documents. In the SSP however there is a more explicit reference to gender: "*criteria for initial selection of states have been... (a willingness) to tackle difficult social issues such as gender and caste*". The SSP goes on to include a brief description of West Bengal's performance regarding gender disparities and then includes gender mainstreaming as one of the approaches DFID will follow. One of the stated objectives is 'strengthening social inclusion and empowerment of the poor' with an aim to mainstream concerns of the SC/STs, backward classes, women and religious minority groups.

4.86. However, from consultations, and looking across programmes, it is clear that DFID did not develop or implement a clear strategy for mainstreaming gender and social exclusion within the West Bengal state programme. Although there was not an explicit strategy, this does not mean the issues were ignored: gender and social inclusion were considered as part of programme design and implementation phases, and the team included a dedicated Social Development Adviser.

4.87. In HSDI gender is not sufficiently explicit, except as an output in HMIS-disaggregated data service utilization. While there is ample reference to the need to target poor and marginalized women in the health services, there is little reference to the underlying gender issues of ill-health and poverty. While some gender-related analysis was discussed in the original Strategic Health Framework, gender lost prominence in the SHP and in the Programme Memorandum (PM).

4.88. Regarding social exclusion, DPEP has had some success in enabling poorer communities to demand education through the Education Guarantee Scheme and Village Education Committees. Strategies to promote social inclusion and gender equity in DPEP have resulted in increasing numbers of girls, SC/STs, Muslims and the disabled attending school. The fact that many are in the less effective SSKs (in terms of trained teachers, infrastructure etc.) presents an equity issue that is still to be resolved.

4.89. In other programmes there is some way to go before it can be confirmed that cross-cutting issues have been addressed. Promoting the inclusion of the poorest women in KUSP has been less easy to ensure, since the CSPs tend to see the whole community as poor and are less likely to differentiate as to who should be included in programme activities. In this respect the definition of 'below poverty line' (BPL)

proves problematic as the benefits from the government of being on the BPL list are many. As a result, those with more resources strategically align themselves with the criteria required so that they can remain on the list. The poorest are in effect below the BPL list. The decision to appoint poverty coordinators for each ULB is a positive step in addressing this issue, and one DFID needs to transfer to SRD.

4.90. There is some evidence of discussion and sharing around the gender and poverty agenda within the WB state team. However, more work is required in this regard if all team members are to be sensitive to recognising and addressing key poverty and gender issues within task teams, and more widely within the programme.

4.91. Environment has been taken primarily as ‘environmental protection’, with an environmental impact perspective. There appears to have been less consideration of environment in a climate change and natural disaster context. West Bengal is considered to be vulnerable to natural disasters of the type that may increase in frequency with climate change – typhoons and flooding. There is a need to incorporate this type of thinking into the programme more widely.

4.92. Environmental protection has tended to be addressed in appraisal phase but this is not evident from programme milestones. One exception is KUSP, in which environmental protection issues will be addressed in the draft development plans to be prepared by municipalities in order to access infrastructure related funds. KUSP has also prepared separate guidelines for preparation of environmental management plans as a part of the plans. Staff have been trained on using the guidelines. This is a satisfactory method of mainstreaming environmental concerns.

### Progress towards SAP main objectives

4.93. Table 6 reproduces the four key objectives from the SAP with a simple assessment by the CPE mission about progress in West Bengal and DFID’s contribution to that progress. A simple ‘high’ ‘medium’ and ‘low’ rating scale is.

**Table 6: Assessment of impact and DFID contribution by SAP objectives**

DFID CAP Objectives	West Bengal progress	DFIDWB contribution
Strengthening policy and administration towards human development outcomes	M*	M*
Rural and urban decentralisation for improved access to more accountable and better quality services and opportunities, especially for the poor	M	H
Policy reform for fiscal stabilisation, pro-poor growth and effective governance	H	M/H
Promoting equity, voice, accountability and partnership, which will prioritise support to the poorest social groups and regions	L/M	L/M

Note: Simple four point scale: high, medium, low, and nil

\* Both columns – Low/Medium for education, but High for health

4.94. Notwithstanding the limitations of this approach, the points are made:

- West Bengal is making good progress in health reform and achievement of targets, though it is early days for HSDI. Human development results are let down by poor performance in the education sector.
- KEIP and KUSP are making significant contributions to urban decentralisation, and it is hoped that SRD will do likewise in the rural areas. DFID is a key player in this field. However, DFID will need to focus its monitoring on the more difficult reform areas and obtain evidence of better service delivery occurring for the poorest.
- PSE has made an important contribution to fiscal stability. However, it was a relatively small programme, and larger impacts should be seen as reforms roll out to the power sector.
- The decentralisation programmes (KUSP, KEIP, and SRD) have the potential to affect voice and accountability. This is happening in urban areas with examples such as citizen report cards. However, progress is more limited for the large rural population because CSSP, tasked with addressing these issues, is only now commencing.

## Contribution to DFID's Corporate Targets

4.95. Reporting against corporate targets including the Asia Director's Delivery Plan (DDP) and Public Service Agreement (PSA) is carried out for DFID India as a whole and not for each state programme. Hence the following sub-sections address only selected parts of this reporting as they relate to the State Programme.

### *Asia Director's Delivery Plan*

4.96. The DDP, which spans 11 Asian countries, identifies a number of aims for in the way in which DFID approaches poverty reduction. The West Bengal programme has contributed to some of these (Table 7). (Annex 5) reports more specifically on DDP targets as linked to Service Delivery Agreement (SDA) targets.

**Table 7. Assessment of DFID West Bengal's contribution to the 2003-2006 DDP**

DDP aims	CPE comments relating to West Bengal
<b>Aid Instruments</b>	
Our focus is on large resource transfers, reducing transaction costs.	The programme has been successfully concentrated into a relatively small number of large programmes. However, the management style is still relatively hands-on, thus transaction costs have not been lowered as much as they might have.
General budget support (GBS) (at state level in India)	The programme had intended to go down this route, but Gol has ruled against state GBS (aim thus no longer relevant)
Supporting measures towards sector wide working	The West Bengal programme has successfully supported the development of an innovative sector-wide programme in health.
Larger projects and programmes	HSDI, and at the national level with a state footprint, SSA are large programmes. However SRD and CSSP were designed with ambitiously large budgets, which caused approval problems.
Strategic secondments and partnerships	There are few other donors in West Bengal, nonetheless, there is not much evidence of attempting innovative partnering approaches.
<b>Aid Effectiveness</b>	
To identify drivers of change, and the political context within which they operate, and work with them	While the West Bengal programme has a good, but often tacit, appreciation of the political economy of the state, it does not benefit from a single drivers of change-type analysis of the type that has been effective in other country programmes in the region.
To tackle social exclusion, vulnerability, gender, ethnicity and caste	The sector programmes are targeted at the poor, vulnerable and excluded. This is primarily through a district level lens, and by implementing through GoWB, which has an emphasis on universal provision of basic needs. The state programme would benefit from a more unified approach to mainstreaming its support to these disadvantaged groups.
<b>Ways of Working</b>	
Insisting less on perfection in design, while strengthening impact measurement	An area of poor performance for West Bengal programme. Design phases for all major programmes except PSE have been drawn-out. Programme monitoring follows good practice, but outcomes evaluation & impact assessment are weak within programmes and at the aggregate level of the State Programme.

Public Service Agreement

4.97. Table 8 sets out an annotated summary of DFID's 2003-2006 PSA objectives for Asia.

**Table 8. Assessment of West Bengal's contribution to the 2003-2006 PSA**

<b>PSA OBJECTIVE II: Reduce Poverty in Asia.</b>	
<b>PSA Target 2:</b> Progress towards the MDGs in 4 key countries.	CPE comments and rating – West Bengal
❖ DFID will provide increased support to contribute to:	
a. Effective and equitable education systems, focusing on primary education and including specific objectives on equitable access for girls and boys in Pakistan, Bangladesh, <b>India</b> and Vietnam.	DFID has invested heavily in education through the DPEPs and SSA but institutional constraints to ensuring equity in terms of quality of provision and resources still to be overcome. Tentative signs of potential reform <b>Medium</b>
b. Effective and equitable health sector programmes, indicated by reduced child and maternal mortality and spread of infectious diseases, improved reproductive health and the development of HIV/AIDS strategies in Bangladesh, Pakistan, <b>India</b> , China, Nepal and Cambodia.	Well-designed health sector programme, utilising sector budget support around agreed a sector plan. Earlier health programmes less successful. Too early for improved health outcomes from HSDI to be evident, although systems changes are starting to show. <b>High</b>
c. Deepening democracy, improving rights of the socially excluded and reducing corruption in Bangladesh, Nepal, <b>India</b> , Pakistan and Indonesia.	In that decentralisation should deepen democracy, DFID is contributing well in West Bengal through its urban and rural programmes. CSSP will address rights, but has only just been approved. West Bengal is considered to be one of the less corrupt states, and this area not currently a priority. <b>Medium</b>
d. Local private sector development, market access for the poor and an improved climate for foreign investment in <b>India</b> and Bangladesh.	DFID is not directly working on these areas in West Bengal. <b>n/a</b>

4.98. This assessment is encouraging. Whilst the positive reform signals in the health sector are balanced by some areas of under-performance in education, when combined with progress in decentralisation and empowering the lowest tiers of government, the overall picture is satisfactory.

## Summary of findings

- ❖ DFID moved quickly and boldly to support GoWB's plans to restructure public sector enterprises. DFID provided a flexible source of funds, experience of PSE restructuring from other states, and the right managing agent. DFID worked well behind the scenes with GoWB, and helped it deepen the level of reform and communicate sensitive issues. The programme has positioned GoWB for its wider reform agenda, and has demonstrated that DFID can play a key role.
- ❖ Other programmes are less well advanced. Most major programmes, other than PSE, involved long design phases during the period under evaluation. Delays were caused by a combination of political, institutional and technical factors in DFID, GoWB and Gol. A more systematic approach and "insisting less on perfection in design"<sup>41</sup> would have shortened the process.
- ❖ System-wide deficiencies severely limited the impact of earlier health projects. Adoption of a sector budget support approach to health is entirely appropriate, forward looking and ambitious. It requires a long term commitment from DFID. Some positive results are emerging, but the major systemic changes should not be expected until 2009/10.
- ❖ Whilst DPEP has been instrumental in successfully increasing primary school enrolment levels, its effectiveness has been limited by lack of convergence: of formal and informal elementary school systems and of DPEP approaches with WB State Education Department statutory educational provision.
- ❖ KUSP and KEIP have made good progress in areas such as organisational development studies, preparation for development planning, training, development of citizens' charters, and creation of in-slum infrastructure. Progress on implementing 'core' institutional reforms, such as revisiting the role of government, support organisations and local bodies, as well as delegation of financial and administrative powers has been slower.
- ❖ SRD and CSSP both started recently, after long design phases. They are ambitious in design, but with large budgets that were reduced. For SRD this was at Ministerial approval stage, revealing flaws in the pre-appraisal process.
- ❖ DFID is respected as a valued partner by GoWB. DFID could utilise this status to develop a more robust engagement with GoWB. Engagement is essentially programme by programme, reflecting the structural set-up of GoWB. Partnership talks provide opportunity to engage with the government at a more strategic level. The programme would benefit from documenting its over-arching approach to communication with GoWB and informing its policy processes. This needs to go beyond the PR focused annex in the SAP.
- ❖ DFID has not been very effective in communicating its aims and objectives to civil society at large, and could have made more effort to maintain a relationship with the informal grouping assembled for the design of CSSP.
- ❖ The state programme lacks a mechanism, such as a results framework, by which results can be aggregated to assess progress in the state as a whole.
- ❖ DFID did not develop or implement a clear strategy for mainstreaming gender and social exclusion within the West Bengal state programme.
- ❖ DFID's contribution to progress in West Bengal is rated as 'High' or 'Medium High' for 2 of the four CAP objectives, and 'High' for one of the four rated PSA targets, and Medium for 2 others – overall a satisfactory contribution.

<sup>41</sup> DDP



## 5. Development Progress

### Development progress

5.1 This chapter reviews recent progress in West Bengal towards the Millennium Development Goals (MDGs) and provides an overview of aid effectiveness and harmonisation. Table 9 summarises progress towards the MDGs. A single state level summary of progress towards the MDGs was not evident, and the quality of available data is poor, and disputed. DFID has reviewed progress towards some MDGs, but more sophisticated simulations and scenarios have been calculated by the World Bank, showing the sensitivity of MDG indicators to various interventions and other variables. However, this study has shied away from making clear predictions about whether the MDG targets will be achieved.

**Table 9: Progress towards Millennium Development Goals**

MDG	Target and 2015 Prospect	Progress: West Bengal	Progress: All India
<b>One</b> Eradicate extreme poverty and hunger	% of the population below national poverty line <b>Likely<sup>42</sup></b> Prevalence of underweight in children under 3 years: <b>Potentially</b>	33% (1993/94)◇ 26% (2004/05)◇  38% (1998/99)† 37% (2005/06)†	36% (1993/94)◇ 28% (2004/05)◇  47% (1998/99)† 46% (2005/06)†
<b>Two</b> Achieve universal primary education	Age specific attendance ratio - % 6-10 year olds attending school <b>India – Likely; West Bengal – Off track</b>	69.5% (1995/96)◇ 89.1% (2004/05)◇	71.7% (1995/96)◇ 87.5% (2004/05)◇
<b>Three</b> Promote gender equality and empower women	Gender parity index (Ratio of girls to boys) in classes I to VIII <b>India – Potentially; West Bengal – on track</b>	1.0 (2005 Urban)* 0.97 (2005 Rural)*	0.92 (2005 Urban)* 0.89 (2005 Rural)*
<b>Four</b> Reduce child mortality	Under 1 year old mortality rate (/1000 births) <b>Very Likely</b>	51 (2000)‡ 38 (2005)‡	68 (2000)‡ 58 (2005)‡
<b>Five</b> Improve maternal health	Maternal mortality ratio per 100,000	218 (2000)‡ 194 (2005)‡	327 (2000)‡ 301 (2005)‡
<b>Six</b> Combat HIV/AIDS, malaria and other diseases	Total HIV prevalence 15-49 yrs Insufficient data  Detection rate of TB under WHO DOTS scheme	Target >1% Current data: ~0.9%  Target 70% Q3, 2006: 79%	Target >1% Current data: 0.5 – 0.84% Target 70% Q3, 2006: 69%
<b>Seven</b> Ensure environmental sustainability	Proportion of population with sustainable access to improved water source Insufficient data  Proportion of population with access to improved sanitation Insufficient data		84% (2001)◇, 75% (2004)*   28% (2001)◇, 38% (2004)*

◇ National Statistical Survey Organisation

† National Family Health Survey

\* District Information System for Education

‡ Sample Registration System

<sup>42</sup>Assessments: likelihood of reaching the goal –. no report with external objective assessment; most assessments from DFID's 'Progress towards MDG Indicators in DFID Partner States, UP and Bihar'

5.2 At the time the SAP was drafted, DFID considered that West Bengal would meet the income poverty and infant mortality targets, and that it might meet the overall literacy, literacy gender, and TB targets with sustained effort. It was considered that the state would be unlikely to meet targets for net primary enrolment and child malnutrition. The status of the latter has worsened recently. Currently, the Under - 5 and Infant Mortality appear just about on track but reaching the Maternal Mortality MDG will be a challenge in India as a whole and in WB. Current estimates suggest that HIV/AIDS is less prevalent in Kolkata than in India's other large cities, but the data also suggests that this could be increasing rapidly.

5.3 Performance against the education target is reduced by the low level of enrolment at upper secondary.

### **Aid effectiveness & harmonisation**

5.4 As has been indicated elsewhere, in the recent past, there have been few donors operating in West Bengal, and Gol has recently restricted the number of donors operating in India as a whole. The opportunities for DFID to pursue harmonisation objectives in West Bengal are thus limited.

5.5 Nonetheless, as stated in Paragraph 4.68 DFID did seek to strengthen harmonisation by co-financing KEIP together with ADB, the only other donor in the urban sector in West Bengal. DFID has also been working to harmonise with the World Bank in the health sector, the Bank's investment is to be aligned with HSDI.



*Kolkata Urban Services Programme*

## 6. Conclusions and Lessons

### Key findings and lessons

6.1 Given the relative youth of much of the programme and that design activities occupied much of the evaluation period it is somewhat premature to extract many lessons or make recommendations from a number of the sector programmes, other than in relation to strategy and programme design activities. Overall, the following main findings and lessons emerging are:

1. The West Bengal programme has scaled up very rapidly, from £7m in 2002/03 to a projected £45m by 2006/07. This has coincided with a period when GoWB has become much more reform-oriented, partly driven by its fiscal crisis. DFID has been able to achieve this growth by a combination of factors including; the planning of a suite of ambitious programmes, especially in health and decentralisation; recognising the opportunity presented by the change in Chief Minister; and by responding flexibly and quickly to new areas, such as PSE.
2. The programme has demonstrated: (i) some high profile successes, such as PSE, where DFID tactics worked very well, combining its flexibility of approach, with GoWB's recent reform orientation; and (ii) forward thinking and innovation approaches, such as HSDI, where DFID's influence and GoWB thinking converged to produce an entirely appropriate sector response and a new type of relationship with GoWB. DFID has also demonstrated the ability to develop programmes, such as KUSP and SRD which are strongly aligned to key GoWB priorities, such as decentralisation.
3. All these programmes serve to enhance the relationship with GoWB, and it is considered that the state focus is appropriate for enabling DFID to engage with the government reform agenda. The contrast is with SSA, in which there has been little engagement with GoWB.
4. DFID is a valued development partner for GoWB, in an environment where there are few donors operating. Individually, there are strong relationships with senior members of GoWB. However, communications could be better coordinated, and there are a small number of examples where government could have been involved differently in making tough decisions.
5. The state programme is an effective approach to marshalling human and financial resources in support of India's own development agenda. As programmes become more reform-oriented, the state approach allows DFID to establish relationships that help mitigate risk. Nonetheless, if the state is a successful management unit for DFID, it should also be used as a unit for performance management. The lack of aggregate results reporting against the SAP is a gap, and M&E needs to confirm that the programme is having a cumulative impact on poverty *in the state*.
6. The 10<sup>th</sup> Plan is framed in terms of aiming to assure basic minimum needs for everyone. The SAP aims to support achievement of the poverty reduction targets in the 10<sup>th</sup> Plan, and also includes objectives to promote equity, including sharpening the focus on addressing inequality (mainly targeting deprived districts) and recognising the higher levels of poverty in SCs and STs, as well as gender-based poverty. Representatives of civil society felt this gives a subtle difference in emphasis, which means programmes implemented

by GoWB are more broadly poverty targeted. However, targeting is not improved by inadequate poverty data and poor information on the socio-economic conditions that lead to perpetuating poverty.

7. This situation may be mitigated through both good research and good monitoring. First, for example, respondents felt that DFID would benefit from access to a think tank, possibly one it informally establishes, to provide alternative views on the West Bengal situation. Second, DFID needs to strengthen its M&E function in individual programmes as well as the state programme as a whole, so that there is more use of intermediate outcomes and a clearer picture emerges on progress with poverty reduction.
8. DFID should ensure that programme designs are realistic in terms of the level of funding and exposure that Ministers are willing to commit to, and the level of funding that recipients can absorb.
9. A consistent efficiency issue across the programme has been extended design processes caused by bureaucratic, technical, and institutional delays in GoWB, Gol and DFID. DFID does not appear to have a monitorable internal design process with its own performance measures, and hence progress can easily slip – one respondent said that this slippage then ‘becomes infectious’. There is a need to identify key stages in the design process, their expected duration and the persons responsible for each stage, from DFID, DEA and GoWB. Establishing norms for each stage would give DFID the basis of a monitorable process, and one which has a greater level of accountability. This needs to be linked to a design ethos which is less driven towards design perfection, and more towards designs that incorporate flexible approaches that allow designs to evolve as programmes progress.
10. There is evidence that elements of a project mentality persist in DFID, despite a programmatic approach. While relationships with GoWB are good, frequent contact about programme detail is not necessary to maintain these good relationships. The close level of attention and effort paid to operational detail may be considered too high. If good implementation units are in place, as they generally seem to be, if there are suitable levels of trust and clear delegated responsibility, and if there is good risk mitigation in place, DFID can afford to shift its attention to higher, outcome level concerns. If these elements are not in place, DFID should focus on building capacity and reducing dependency.
11. While there are significant signs of reform occurring in most programmes, progress has tended to be better with the less difficult reforms. DFID should now build on this progress by placing greater emphasis on core institutional reforms, such as changes in respective roles and responsibilities of bodies at different tiers of government and delegation of key funds and functions.

## Recommendations

### *Recommendations for DFIDI*

6.2 A combination of human resources factors resulted in the majority of the West Bengal team moving in short succession in 2004 to posts in other states or countries. A similar situation may occur in 2007. DFIDI should examine the impact of the cluster system and timings of SAIC staff moves to minimise large scale simultaneous changes in the team, which impact on continuity and institutional memory.

6.3 GoWB considered that programmes' design phases have been unduly long. DFIDI could usefully re-examine its procedures for design and pre-appraisal. Areas for review could include guidance on monitorable internal design procedures, with clear timetables and milestones, and strategies less focused on design perfection.

6.4 The main national programme sector, education, has gradually had less involvement from the state team. This is unfortunate as in this sector, and more widely, state and national programmes would benefit from more interaction; the state programme in running lean and 'hands-off' programmes, and the national programmes in using state level knowledge, relationships and experience to gain traction in slow moving state-level issues. It is thus recommended that ways of working that better facilitate synergy between state and national teams are sought.

6.5 DFIDI is currently consulting for its next CAP but how this will relate to future plans for West Bengal is yet to be articulated. However, the strategy that succeeds the West Bengal SAP will need to improve performance assessment across the programme. One option will be to follow the new CAP Guidance, and develop a new-style CAP Performance Framework and Delivery Plan for the state. It is also suggested that producing this document would be a useful reflective exercise for the final year of the current SAP.

6.6 It is understood that DFIDI was unconvinced by a state-level Drivers of Change study it previously commissioned (not in West Bengal). Nonetheless, coming to the end of a plan period in West Bengal, and with a largely new team due in 2007, it is considered that such a study would be a useful analysis to assess, explain and guide the programme as a whole.

### *Recommendations for DFID-WB*

6.7 DFID in West Bengal should increase the level of attention it pays to monitoring and evaluation, but particularly evaluation. At programme level, while the system of yearly and twice yearly multidisciplinary monitoring reviews is sound, the total investment of on M&E is low, given the scale of the programmes. The state programme should ensure that: (i) logframes include intermediate outcome indicators, (ii) progress against logframes is used as the basis of reviews, and (iii) appropriate monitoring occurs at field level to verify achievements. An option might be for DFID to engage an external local agency to assess cross-programme poverty impact, similar to the SRD baseline survey.

6.8 At state programme level, the current M&E approach is more concerned with monitoring than evaluation, with a disproportionate effort on input level monitoring, rather than on evaluation of achievement of intermediate outcomes. There is a need for a stronger results focus. There is merit in the programme self-evaluating its aggregate impact in West Bengal – the 'logframe exercise' attempted in this

evaluation demonstrated that there is a rich set of possible data that could be drawn upon. Such an evaluation is necessary at least once before the end of the SAP plan period, as a precursor to deciding how to follow the current SAP.

6.9 The relationship with GoWB is a healthy one, although it could be employed more effectively if it were better coordinated. The Communications Strategy annex to the SAP is essentially PR-focused. Most engagement with GoWB is programme-by-programme, reflecting the departmental operations of GoWB. Whilst there are mechanisms, such as partnership talks, for DFID to interact strategically with GoWB, the programme has not documented its over-arching approach to communication with GoWB and informing its policy processes. A better developed Communication Strategy would permit a coordinated approach to strategic dialogue and broad policy matters, and facilitate its management, such as monitoring and review.

6.10 Reviewing of strategic communications with GoWB would usefully include:

- the approach to communications over challenging situations, such as changes in the aid framework and programme budgets. GoWB respondents stated that GoWB would like to be better consulted over allocative decisions.
- the level of communication with PMUs on lower level implementation and input issues, with a view to supporting a less intensive management approach.

6.11 Much of the programme is based on a central thesis of reforms to support decentralisation resulting in better service delivery. Three major programmes – KEIP, KUSP and SRD share a similar ethos. Together they are valued at £120m, with this rising to a possible £230m. The decentralisation approach supports GoWB and Gol (11<sup>th</sup> Plan) objectives. There are two recommendations related to this area of activity:

- Since SRD is to some extent a rural sibling to KUSP and KEIP, DFID should improve the cross-learning between the decentralisation programmes, and use the most advanced of these, KEIP, as a sentinel – providing indication of areas of tractability and slower progress in decentralisation processes. GoWB does not treat the three decentralisation programmes as a cluster, but there is some merit in DFID making this relationship clear to GoWB, so that a more joined up approach is taken to the decentralisation process.
- The theory of change of how decentralisation eliminates poverty, and over what timeframe, is not always well elucidated by the West Bengal programme. It is suggested that (i) prior to the forthcoming likely change in programme staff, or (ii) as part of preparing the document that succeeds the SAP, a theory of change is articulated.

---

## 7. Management Response

DFID India welcomes the evaluation of the West Bengal programme covering the period 2000-2006. The report provides a comprehensive and balanced assessment of the evolution of the West Bengal programme and its contribution to development in the state.

We note the positive assessment of West Bengal's contribution to the delivery of DFID's Country Assistance Plan (CAP) in India and, through that, to the achievement of DFID's targets in the Public Service Agreement (PSA) and the Asia Director's Delivery Plan (DDP).

The West Bengal programme has grown strongly over the period covered by the evaluation. We are pleased that the report recognises it as a good model of how a relatively compact portfolio with a large budget can play a strong influencing role in promoting and delivering reforms, piloting improved methods for reducing poverty, and strengthening capacity to deliver positive outcomes for the poor.

We note the positive assessment on health sector budget support, the first of its kind in India. The evaluation is also complimentary about the value of DFID support to Public Sector Enterprise reforms which has helped the state to progress its growth and fiscal stabilisation objectives. In the case of our urban programmes the report identifies that these have piloted innovations in planning, revenue generation measures, and public-private partnerships which are informing the development of similar programmes in other Indian states.

The evaluation comments that the protracted design process for the rural decentralisation programme impacted adversely on delivery and the relationship with partners was affected. Subsequent external evaluations of the programme have noted that any early setbacks have been largely overcome. Relationships with GoWB are now strong and there has been significant progress in building capacity, incentivising reforms through the Untied Poverty Fund, and strengthening accountability of government. The next phase of this support is being developed with GoWB and is incorporating many lessons from the initial implementation phase.

Whilst recognising that progress on the education programmes has been mixed, the report does not give sufficient credit to the positive outcomes realised from the implementation of the District Primary Education Programmes (DPEP). These programmes have raised enrolment levels, brought more girl children and children from disadvantaged families into school, and promoted stronger community demand for education (see National Social Survey education rounds 1995, 2000 and 2005). In relation to the evaluation findings regarding institutional and implementation challenges for the national education programme, Sarva Shiksha Abhiyan (SSA), we are seeking to address these challenges through our support to SSA.

We are currently developing our next Country Assistance Plan (CAP) for India. This will provide the framework for our future partnership in West Bengal. We expect to complete all our programmes of support in West Bengal over the next three years and the recommendations and findings of the evaluation will be used to enhance the development outcomes over this period. In particular, as recommended by the

evaluation, we will articulate a comprehensive theory of change that will allow us to address some of the key cross-cutting issues and to develop programme synergies within the state and with our work at national level.

The evaluation identified the need to develop a more structured communications strategy. This is being taken forward through our state office as part of the enhanced role in programme delivery that they have now assumed. Of the other challenges identified in the evaluation, we now have opportunities to work on some of the more difficult reforms in the state through support to the Administrative Reforms Committee. Monitoring and evaluation is also another key area that will form part of our support to this Committee.

The evaluation has identified many of the successes of the West Bengal programme and provides insightful analysis of future challenges. As we move forward with our partnership with GoWB, these insights will help us to ensure that further development progress in the state is maximised and effective poverty reduction is secured.

DFID, India  
September 2007



## Annex 1 – Programme Spend and Performance Scores

	Expenditure recorded on PRISM							End Date	Commitment	Spend
	99/00	00/01	01/02	02/03	03/04	04/05	05/06		£	£
Human Development - education										
DPEP1	4,576,270	3,792,944	3,813,968	4,328,168	3,779,273	2,737,342	26,051	Mar-05	41,706,000	23,054,016
DPEP2	-		2,420,541	3,390,885	2,667,482	12,157,976	7,349,199	Sep-06	33,000,000	27,986,083
SSA (Central)	-									*
Human Development - health										
WB Sexual health	743,272	601,028	467,945	-	76,915	2,230	50	Dec-01	4,780,000	1,737,502
WB Repro Child Health	278,405	115,575	189,077	293,099	26,341	817		Mar-02	2,990,000	903,314
Honorary Health Workers	-							Jun-05	800,000	-
HSDI (TA)	-		56,083	112,477	264,594	149,070	171,183	Jun-10	4,100,000	753,407
HSDI	-						14,500,000	Jun-10	97,500,000	14,500,000
Nutrition									25,000	-
Decentralisation & Service Delivery										
EIRFP	921,385	1,028,362	890,694	556,215	655,587	193,755	253,083	Mar-05	8,091,000	4,499,081
CSIP	588,062	168,727	587,192	93,692				Feb-03	12,240,000	1,437,673
KUSP (TA)	20,623	21,005	373,995	144,583	18,441	759,028	380,093	Mar-11	13,260,000	1,717,768
KUSP	-				2,248,124	284,083	5,785,828	Mar-11	89,440,000	8,318,035
KEIP (TA)	-			288,483	117,648	1,552	715	Mar-09	7,100,000	408,398
KEIP	-				88,256	1,047,924	1,616,507	Mar-09	21,200,000	2,752,687
SRD (TA)	-				105,215	73,896	56,075	Sep-07	500,000	235,186
SRD	-							Sep-07	8,500,000	-
CSSP (TA)	-				60,011	1,289	1,845	Oct-10	5,300,000	63,145
Policy Reform for growth & governance										
PP Gov in WB&B	-	80,595	58,106					Mar-01	212,000	138,701
Power Sector Reorg	-			5,720				Oct-99	75,000	5,720
PSE Prelude (TA)	-				274,773			Dec-04	450,000	274,773
PSE Prelude	-				2,099,689			Dec-04	2,500,000	2,099,689
PSE 1 (TA)	-					62,023	59,967	Dec-06	1,550,000	121,990
PSE 1	-				11,455,282	11,438,068		Dec-06	23,100,000	22,893,350
TA on Pov. Gr & Gov ref	-					9,016	34,948	Mar-06	235,000	43,964
Support to the Poorest social groups & regions										
UNICEF Watson	2,574,654	2,658,903	5,025,252	3,131,612	279,852	2,988,411	13	Jun-04	17,500,000	16,658,697
CARE floods (CHAD)	-	264,907						Dec-00	265,000	264,907
Floods Oxfam (CHAD)	-	248,029	1,273					Sep-01	215,000	246,756
Floods UNICEF (CHAD)	-	1,023,472						Jan-01	1,050,000	1,023,472
WB Flood Rehab	-		95,635	528,278	392,624	16,712		Apr-04	1,060,000	1,033,249
sunderbans Women (TA)	-								50,000	-
TOTAL**	9,702,671	8,467,139	13,978,488	12,796,297	24,535,422	31,921,012	30,235,399		397,264,000	131,636,428

**Notes:** \* SSA reported centrally; \*\* The total excludes CHAD items

## OPR/PCR scores

Project Title	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07
Calcutta Slum Improvement	2	2	3	2	2			
District Primary Education Project Expansion PH1	2	2	2	2	3	3	3	
District Primary Education Project Expansion PH2				x / 3	3	3	3	2
Flood Rehabilitation and Mitigation Programme				2	1			
Health Systems Development Initiative							x	
Kolkata Environmental Improvement Project						2	3	2
Kolkata Urban Services for the Poor (KUSP)						x	2	2
Public Sector Enterprises Restructuring Prelude Phase						2	1	
Public Sector Enterprises Restructuring Phase 1						2	1	
West Bengal RCH Project		3	3	3				
West Bengal Sexual Health Project	2	2		3				
UNICEF: Water & Sanitation		x		x	x	3		

## **Annex 2 - List of persons met**

### DFID – West Bengal Team

- Chris Chalmers, State Programme Manager
- Agnes Rozario, Assistant Programme Officer (Kolkata)
- Andrew Kenningham, Economic Adviser
- Debashree Mukherjee, KUSP & Urban Development Adviser
- Padma Kumar, Senior Deputy Programme Manager
- Pushpa Subrahmanyam, Governance Adviser
- Ragini Raghunand, Assistant Programme Officer
- Sandhya Kanneganti, Social Development Adviser
- Shantanu Das, State Representative
- Shouvik Datta, Deputy Programme Manager
- Silke Seco, Human Development Adviser
- Srinivasan Iyer, Livelihoods Adviser
- Vina Malloo, Deputy Programme Manager

### DFID – India

- Susanna Moorehead, Head of Office
- Fiona Lappin, Head of Programmes
- Chris Murgatroyd, Senior Governance Adviser
- David Radcliffe – Senior Livelihoods Adviser
- Deborah McGurk, Senior Economics Adviser
- Jenny Amery, DFID Regional Health Adviser
- Joanna Reid, DFID Senior Health Adviser
- Mark Lewis, Senior Programme Manager, National Team
- Michael Ward, Senior Education Adviser,
- Sushila Zeitlyn, Senior Social Development Adviser
- Virinder Sharma, Environment & Rural Livelihoods Adviser, Orissa Team
- Will Starbuck, Head of CAPAS

### Ex-DFID India

Alex Kremer, World Bank

Vijay Pillai, DFID Rwanda

### Government of India

- Dhir Jhingram, Deputy Secretary, DEEL, MHRD

### Government of West Bengal

- Dr Nandini Chatterjee, Principal Secretary School Education
- Dr Sulapani Bhattacharya, President, West Bengal Board of Primary Education (WBBPE)
- Mr Shanti Bhusan Biswas, State Project Director, State Project Office, DPEP
- Dr.Bagchi, Principal Secretary DHFW WB, Kolkata
- H.K.Dwivedi, IAS, Special Secretary, DHFW, WB
- Mr M. N. Roy, Secretary, PRDD
- Mr. Dilip Ghosh, Director, SRD. PRDD
- Mr. Dilip Pal, Coordinator SRD, PRDD
- Mr. Debashish Sen, Chief Election Officer
- Mr. Ardenhu Sen, Principal Secretary, Public Sector Enterprise Development
- Mr. Sunil Mitra, Principal Secretary, Power
- Mr. Bimal Pande, Principal Secretary, Agricultural Marketing

---

## Programme Officers

### HSDI

- Dr. Chaudhari, TAST Consultant
- Dr. K.K. Dutta, TAST (IPE Consultant), Kolkata
- Mr. Abdul Rahim, TAST (IPE), Associate Principal, Kolkata
- Mr. Rajiv Dube, Haldia Port Trust (ex-SPSRC), by phone

### KUSP

- Mr. Arnab Roy, Project Director, CMU
- Mr. Anup Matilal, Project Manager, CMU
- Mr. Gopal Sarkar, Engineering Expert, CMU
- Mr. Jayanta Chakrabarty, OD Expert, CMU
- Mr. Amiya Das, Mayor, Chandannagar Municipality
- Mr. Devi Basu, Manager Innovative Challenge Fund, KUSP
- Mr. Amiya Das, Mayor, Chandernagore Municipal Corporation
- Mr. DP. Basu, Health Consultant KUSP
- Dr. Sujoy Mitra, Poverty Expert, CMU
- Dr. Shibani Goswanmi, KUSP CMU
- CDS members from North Barrackpore Municipality

### KEIP

- Mr. Alapan Bandopadhyay, Commissioner, KMC
- Mr. Sahidul Islam, Jt. Commissioner, KMC
- Mr. Subrata Mukherjee, ex-Mayor of KMC

### PSE

- Mr. Banga, SSNP and trainers at Ramakrishna Mission Institute, Belur, and trainees under the SSNP scheme.

### Development Partners

- Ms. Venita Kaul, Senior Education Specialist, Education Sector, South Asia Region, The World Bank
- Asish Narayan, PREM team, The World Bank (by phone)
- Mr. Debashish Bhattacharjee, Urban development specialist, ADB

### Civil Society

- Mr. Tushar Bhattacharya, Regional Director CARE
- Prof. Partha Chatterjee, Director CSSSC
- Prof. S. Mukherjee, Coordinator research team CSSSC

### Others

- Mr. Kaustabh Basu, PWC
- Mr. Roopen Roy, Managing Director, PWC
- Mr. Arindam Guha, PWC
- Mr. Ashwajit Singh, Executive Director, IPE
- Mr. Amar Prasad, GVT. By phone
- Dr. Neela Mukherjee, consultant and leader of West Bengal livelihoods scoping study

## Annex 3 - References

Project Concept Notes (PCNs), Logframes, design studies, Project/Programme Memoranda (PMs), Terms of Reference (TORs), OPRs, PCRs and JRMs, plus other reports, memos and file correspondence for all DFID West Bengal programmes over the period.

Agenda HSDI Strategic Framework –Stakeholder Meeting April 18th 2002

Agenda HSDI –Stakeholder Meeting 12-13th March 2001

Basavraj, S. (2003). Report on Review of DFID's Partnership with West Bengal. Management Services Group, for DFIDI.

COWI Evaluation Team (2006). Evaluation of DFID'S Policy and Practice in Support of Gender Equality and Women's Empowerment. Country Case Studies. Volume II – India, Nigeria, Western Balkans. Report for DFID.

COWI Evaluation Team, Rikke Ingrid Jensen et al (2006) Evaluation of DFID's Policy and Practice in support of Gender Equality and Women's Empowerment. COWI, for DFID.

Department of Economic Affairs (2005). Guidelines for Development Co-operation with the Bilateral Partners. Policy on Development Co-operation with Government and its subordinate agencies. Ministry of Finance, New Delhi.

DFID (2001). Making government work for poor people: building state capacity

DFID (2003) Kolkata Urban Services for the Poor, Project Memorandum.

DFID (2005). Girls' education: towards a better future for all

DFID (2006) Aide Memoire : KUSP Annual Review, 15-16 May, 2006

DFID (2006) How to note: Guidance on aid instruments.

DFID (n.d.) Asia Division - Director's Delivery Plan (2003-06)

DFIDI (1999). Country Strategy Plan

DFIDI (2001). West Bengal State Strategy Plan

DFIDI (2003). Road Map to DFID Support to Poverty Reduction in West Bengal.

DFIDI (2004). Country Plan

DFIDI (2004). Terms of Reference – West Bengal State Office.

DFIDI (2004). West Bengal State Assistance Plan

DFIDI (2005) Aide Memoire, KEIP – Capacity building programme, Annual Review: 1 – 2 Dec. 2005.

DFIDI (2006). Aide Memoire, KEIP – Capacity building programme, Annual Review: 7 – 8 June 2006

- 
- DFIDI (n.d.) Progress Towards MDG Indicators in DFID Partner States, UP and Bihar.
- DFIDI (n.d.). India to 2015 – Options for DFID.
- DFIDI (n.d.). West Bengal Programme, Team Plan 2006/07 – 2008/09.
- DFIDI. (1996) West Bengal DPEP 1, Project Memorandum
- DFIDI. (1999) West Bengal DPEP Expansion Phase (WBDPEP2) Project Memorandum
- DFIDI. (2001). KUSP Log Frame.
- DFIDI. (2001). KUSP Project Memorandum.
- DFIDI. (2004) Sarva Shiksha Abhiyan, Project Memorandum
- DFIDI. Project Completion Report for DPEP 1 and OPR/Annual Review reports of DPEP 1 and 2 prepared by DFID
- DHFW. (2006) Integrated Annual Plan 2006-2007. GoWB, Kolkata.
- DHWF Rural Health Mission. (2005). Memorandum Nov 9, 2005. ; GoWB, Kolkata
- Dr.David Griffith. (2006) Report of the Health Sector Reform Specialist of TAST, May 8-17 2006. Report for HSDI/DFID.
- Dyer et al (2003). Strategic Review of Resource Allocation Priorities. Discussion Paper. DFID.
- Evaluation of DFID Policy and Practice in Support of Gender Equality and Women's Empowerment. India Case Study. March 2006
- GOI. Joint Review Mission Reports of DPEP 2 and SSA
- GoWB. 10<sup>th</sup> Annual Plan.
- GoWB. Annual Report of West Bengal Board of Primary Education 2005-2006
- GoWB. Health Strategy. DHFW 2003-2013 Main Documents and Annexes
- GoWB. State Project Office, DPEP & SSA, Annual Report 2004-05, District Primary Education Programme and Sarva Shiksha Abhiyan
- Hayden,P. and Mishra, M. (2002). Civil Society in West Bengal – Opportunities for DFID Support. Report for DFIDI.
- Heath, J. (2006) India Development Effectiveness Report. EV670. DFID, London.
- Helen Derbyshire, H. (2002.) Gender Manual: a practical guide for policy makers and practitioners. London: DFID, London.
- IIHMR. (2002) Health Financing Options in WB. DFID HSRC.
- IPE (2006) Design of a programme to Support ICDS and Nutrition in West Bengal. Report for DFID.

Johnson, C. (2003). Decentralisation in India: Poverty, Politics and Panchayati Raj. Working Paper 199, Overseas Development Institute, London.

Jones, S., Ravi, A. and Sanan, D. (2003). An External Perspective on DFID's India Country Strategy. OPM and TARU Leading Edge, for DFIDI.

Jütting, J., Kauffmann, C., McDonnell, I., Osterrieder, H., Pinaud, N. Wegner, L. (2004). Decentralisation and Poverty in Developing Countries: Exploring the Impact. Working Paper No. 236. OECD Development Centre, OECD, Paris.

Kolkata Municipal Corporation. Budget statement (06-07). Kolkata.

Kolkata Municipal Corporation. Guard the Guardians. Kolkata.

Kolkata Municipal Corporation. Capacity building programme (Vol. I), Vision & Strategy. Kolkata

KUSP (2004). Final Report on HHW Programme Review.

KUSP (2004). Revised logframe (Agreed as of 3rd Dec. 2004).

KUSP – Change Management Unit, Preparation of draft development plans, Guidelines for:

- Environment management plan (September 05)
- Legal compendium (January 06)
- Primary education improvement plan (October 05)
- ADP preparation process (January 06)
- Preparation of financial plan (February 06)
- Health care service delivery improvement plan (October 05)
- Internal process and systems improvement plan (November 05)
- Land use development plan (September 05)
- Slum infrastructure improvement plan (September 05)
- Trans municipal linkages (October 05)
- Intra municipal infrastructure improvement plan (September 05)
- Livelihoods and poverty alleviation plan (September 05)
- Launching DDP (June 05)
- DDP preparation process (August 05)
- DDP appraisal and approval (February 06)
- Organization development plan (September 05)
- Local economic development plan (September 05)
- Citizen interface plan (September 05)

KUSP CMU. (2005). Guidelines for Health Care Service Delivery Improvement Plan.

KUSP Third Year Funding Review: indicators for external evaluation

Lerche, J. (2003). Policy Appraisal of Government of West Bengal's 10th Five Year Plan. SOAS, for DFIDI.

Lerche, J. and Srivastava, R. (2003). A Comparison of PRSPs and National Development Strategies in Asia. Country Study – India. SOAS, for DFIDI.

Majumdar, T and Jha, J. (2004) Education in West Bengal: An Overview of the Major Issues (With Emphasis on Elementary Education). Report for DFID

---

MoHFW. RCH Phase II. National Programme Implementation Plan, GoI, New Delhi.

Mosse, D. (2003). The making and marketing of participatory development. In eds. P.Q.van-Uffard & A.Giri. A Moral Critique of Development: In Search of Global Responsibilities, pp.43-75. Routledge (London & New York).

National Rural Health Mission 2005/12, Mission Document, MoH, DHFW. New Delhi.

Thornton, P., Robson, K., and Colley, J. (2003). Remodelling DFID India. Review Consultancy Report. Verulam Associates Ltd, for DFID.

UNDP (2004). West Bengal Human Development Report

Verulam/IPE (2004). WB Health Strategy Support Project, The Integrated Financial & Economic Plan. Report for DFID.

WB programme DFID India – Team Plan 2006/7 -2008/9

World Bank. (2005) HSDP Aide Memoire September 13-21, 2005.

World Bank. Project Information Document (PID) AB1696 – West Bengal Health Systems

Xavier Institute of Social Services (n.d) Socio Economic Impact Assessment Study of EIRFP in Three States. Ranchi. For GVT.

#### Websites consulted

EC Health and Family Welfare Sector Programme, West Bengal - [www.echfwp.com/WB.htm](http://www.echfwp.com/WB.htm)

GoI Planning Commission - <http://planningcommission.nic.in/>

GoWB - [www.wbgov.com/e-gov/English/EnglishHomePage.asp](http://www.wbgov.com/e-gov/English/EnglishHomePage.asp)

GoWB Dept of Health and Family Welfare - [www.wbhealth.gov.in](http://www.wbhealth.gov.in)



## Annex 4 – Evaluation Matrix

DRAFT REVISED MATRIX FOR West Bengal STATE PROGRAMME EVALUATIONS (August, 2006)

EVALUATION CRITERIA	SUB-CATEGORIES	QUESTIONS	Notes
<b>I. Relevance</b> How far did DFID do the right thing? – was the strategy appropriate (to context and wider objectives)? Drawing on following DAC Criteria “The extent to which the aid activity is suited to the priorities and policies of the target group, recipient and donor. In evaluating the relevance of a programme or a project, it is useful to consider the following questions: ☆ To what extent are the objectives of the programme still valid? ☆ Are the activities and outputs of the programme consistent with the overall goal and the attainment of its objectives? ☆ Are the activities and outputs of the programme consistent with the intended	Overall strategy and areas/sectors selected for intervention	1. Does DFID have a clear and focussed state strategy that explains the rationale for the programme? (e.g. options considered, choices made and why, prioritisation, selection of sectors etc) 2. How far is the state strategy aligned with development needs and policy priorities of Govt of India and Govt of WB, e.g. is the programme aligned with the national and state Development Plans? 3. How far was the state strategy based on a realistic analysis of the 9 <sup>th</sup> and 10 <sup>th</sup> Plans, and to what extent did it attempt to address gaps in the Plans? 4. What progress has the state made on the MDGs? 5. Which are the off-track MDGs? 6. How did the state strategy aim to address off-track MDGs? 7. Were some national and state development objectives given lower priority by DFID? 8. To what extent is DFID strategy for this state in line with corporate priorities, and how did the SAP	1. xx 2. xx 3. xx

EVALUATION CRITERIA	SUB-CATEGORIES	QUESTIONS	Notes
impacts and effects? “		balance country context and corporate policy?	
	DFID's choice of aid instruments	<p>9. How was the balance between budget support, other forms of financial aid and technical assistance determined?</p> <p>10. How far was the political economy and governance context taken into account in determining the aid instruments to be used?</p> <p>11. How far did the actual mix of instruments reflect the plans?</p> <p>12. What were the reasons for any departures from the planned mix?</p>	
	DFID's partnership strategy	<p>13. To what extent did DFID have an explicit strategy for influencing Government?</p> <p>14. Was influencing work adequately resourced and effectively managed?</p> <p>15. To what extent did DFID seek to strengthen harmonisation across the donor community?</p> <p>16. To what extent did DFID have an explicit strategy for influencing and collaborating with individual donors?</p> <p>17. To what extent did DFID have an explicit strategy for working with civil society?</p> <p>18. How far did DFID communicate its aims and objectives to all development partners, civil society and government?</p>	

EVALUATION CRITERIA	SUB-CATEGORIES	QUESTIONS	Notes
	DFID's approach to cross-cutting themes	<p>19. Did DFID have a strategy for mainstreaming cross-cutting issues such as gender, social exclusion, governance and environmental protection?</p> <p>20. How far was the strategy/approach consistent with corporate policy on cross cutting issues ?</p>	
	Level and allocation of resources	<p>21. Was the state strategy appropriate to the level of resources available?</p> <p>22. How far did spending and use of staff time reflect state programme objectives?</p>	
	Results focus- CAP Part 3	<p>23. How far were DFID's planned interventions sufficiently results-focused and monitorable?</p> <p>24. Did the country office (State team) use a results based performance framework to assess progress?</p> <p>26. To what extent did DFID identify and use intermediate outcome indicators to track results?</p>	
	Risk Management	<p>27. How systematically did DFID assess the external risks (ie political governance and economic) and the internal threats to the country strategy?</p> <p>28. How comprehensive was the DFID risk minimisation strategy?</p>	

EVALUATION CRITERIA	SUB-CATEGORIES	QUESTIONS	Notes
<b>II. Effectiveness</b> “How far did DFID do what it said it would do?” Drawing on following DAC criteria: “A measure of the extent to which an aid activity attains its objectives. In evaluating the effectiveness of a programme or a project, it is useful to consider the following questions: ☆ To what extent were the objectives achieved / are likely to be achieved? ☆ What were the major factors influencing the achievement or non-achievement of the objectives? “	Overall strategy and areas selected for intervention	1. How far were objectives set out in the state strategy achieved in practice? 2. What were the areas of success/failure and what lessons have been learned? 3. How far were SAP performance indicators achieved in practice? 4. To what extent was the programme that DFID implemented different to the one set out in its strategy? 5. What factors and rationale explain areas of divergence from the initial country strategy? 6. How effectively did the country office manage the risks that emerged? 7. Were there any unexpected outcomes?	
	DFID's choice of aid instruments	8. How effective was the mix of aid instruments in achieving planned objectives? 9. Is there any evidence about the relative effectiveness of the different instruments? 10. Were the different instruments used sufficiently complementary?	
	DFID's partnership	11. What has been achieved from efforts to influence Government?	

EVALUATION CRITERIA	SUB-CATEGORIES	QUESTIONS	Notes
	strategy	<p>12. Has DFID been effective in pursuing its influencing agenda with Government?</p> <p>13. Was harmonisation strengthened?</p> <p>14. To what extent did DFID work effectively with other donors to achieve common objectives or to change their policy?</p> <p>15. To what extent did DFID work well with civil society?</p> <p>16. To what extent was DFID effective in communicating its aims and objectives to all development partners, civil society and government?</p>	
	DFID's approach to cross-cutting themes	17. Were issues of gender, social exclusion, governance, HIV/AIDS and environmental protection addressed as planned?	
	Level and allocation of resources	<p>18. Was DFID's actual disbursement of aid to the state in line with expectations and according to the prescribed timetable?</p> <p>19. Was the sectoral allocation of resources consistent with the country strategy?</p> <p>20. How far did HQ spending targets influence country allocations?</p>	
	Results focus	21. Were the results of DFID interventions adequately monitored and acted upon by state programme managers e.g. to make mid course corrections to the country strategy or	

EVALUATION CRITERIA	SUB-CATEGORIES	QUESTIONS	Notes
		<p>individual programmes?</p> <p>22. How far were the objectives and performance indicators for main programmes e.g. of budget support, SWAPs etc achieved?</p> <p>23. How has the quality and performance of the overall portfolio changed over time?</p> <p>24. Have efforts been made to consolidate and improve the performance of the portfolio?</p> <p>25. Have results frameworks for budget support (GBS and SBS) instruments been used and what is the performance record?</p>	

EVALUATION CRITERIA	SUB-CATEGORIES	QUESTIONS	Notes
<b>III. Efficiency</b> "How efficiently did DFID deliver its objectives? " Drawing on following DAC criteria : "Efficiency measures the outputs -- qualitative and quantitative -- in relation to the inputs. It is an economic term which signifies that the aid uses the least costly resources possible in order to achieve the desired results. This generally requires comparing alternative approaches to achieving the same outputs, to see whether the most efficient process has been adopted."		<ol style="list-style-type: none"> <li>1. Was the skill mix and continuity of staff planned and then aligned with the state strategy?</li> <li>2. Compared to other country programmes over the same evaluation period, what was the ratio of administrative to programme spending? (Allowing for different programme contexts).</li> <li>3. Were there any significant delays in disbursing programme funds?</li> <li>4. What effort was made to ensure the monitoring system could cope with the size of the programme?</li> <li>5. How far were the results of monitoring reports used to reconsider resourcing and staff allocation priorities?</li> </ol>	

EVALUATION CRITERIA	SUB-CATEGORIES	QUESTIONS	Notes
<b>IV. Sustainability</b>  “Are the reforms/changes supported by DFIDs state programme moving in the right direction and are they likely to be sustained / difficult to reverse”?  Drawing on following DAC criteria:  “Sustainability is concerned with measuring whether the benefits of an activity are likely to continue after donor funding has been withdrawn.”  ☆ To what extent did the benefits of a programme or project continue after donor funding ceased? ☆ What were the major factors which influenced the achievement or non-achievement of sustainability of the programme or project?”		1. To what extent has local capacity been built? 2. To what extent have the policy and Governance environment been strengthened? 3. To what extent has government developed effective programming, budgeting and service delivery systems - state budget based on Development Plans - adoption of medium term budgeting integrating 4. capital and recurrent; budget execution improved - spending increased in pro poor areas - service delivery improvements 5. To what extent has transparency and accountability increased? - improved information flows - responsiveness to public on service delivery 6. -action on corruption and reduced wastage of public 7. resources 8. To what extent has government taken steps to earmark the budget needed to maintain mutually agreed areas of priority? 9. Has there been a sustainable improvement in the responsiveness of Government to civil society and the poorest members of society	



EVALUATION CRITERIA		SUB-CATEGORIES	QUESTIONS	Notes
V. Outcome				
“Taking into account criteria I through IV, was the net result of DFID intervention satisfactory?”			<div>1. How far did the state programme achieve the objectives set?</div> <div>2. What contribution did the programme make to the CAP objectives and to the DDP, PSA and SDA?</div> <div>3. Did DFID achieve sufficient positive outcomes to justify the financial and human resources used in the programme?</div> <div>4. What overall rating can be given to the state programme?</div>	

EVALUATION CRITERIA	SUB-CATEGORIES	QUESTIONS	Notes
<b>VI. Attribution</b>			
“A discussion of the factors influencing the observed development outcome and the relative importance of DFID’s contribution to that outcome”.	Country and state context	<ol style="list-style-type: none"> <li>1. To what extent is the country and state political economy conducive to efforts to reduce poverty and improve governance?</li> <li>2. What factors beyond the control of development partners—natural disasters, civil disturbances, terms of trade shocks, etc—had a positive or negative effect on the outcome of DFID’s interventions?</li> <li>3. Given the direction of travel and external factors, overall how far did the state programme make a positive contribution to poverty reduction?</li> </ol>	
	Government actions	4. How effective was the government in preparing, implementing and monitoring DFID-supported operations?	
	Actions by DFID	<ol style="list-style-type: none"> <li>5. How effective was DFID at identifying and delivering added value from its interventions?</li> <li>6. To what extent was DFID’s policy framework adapted to the needs of the state?</li> <li>7. How did DFID’s HR and operational procedures and practices affect the implementation of the strategy?</li> </ol>	
	Actions by other development partners	8. How effective were other development partners in supporting DFID-supported operations?	
	Issues and Lessons	<ol style="list-style-type: none"> <li>9. What lessons can be learned for the state programme, country office, DFID and other donors?</li> <li>10. What issues of wider relevance are raised by the issues and lessons from experience in this state programme?</li> </ol>	See overleaf

## Annex 5 – DDP targets

SDA objective	DDP Asia strategy <sup>43</sup>	DFID India strategy	DFID West Bengal contribution
1.A SDA objective: DFID and HMT will work internationally to ensure that countries accessing IDA resources and their key donors are committed to and supporting effective and sustainable poverty reduction strategies. DFID will provide bilateral support to this end in at least 30 countries (DFID-wide).	1. To support the implementation of government poverty reduction plans and strategies in at least 5 Asian countries	In India, support national and state level poverty reduction planning	While GoWB has a 'new economic vision' for the state, at present it does not have a single poverty reduction strategy document. The 10th 5 year plan does not entirely fulfil that need. DFID plans to support a Poverty and Social Impact Analysis (PSIA) and thence to assist development of a Poverty Monitoring Framework, that would contribute to this target.
1.C SDA objective: DFID will provide increased support to contribute to deepening democracy, improving rights of the poor and socially excluded and reducing corruption in Bangladesh, Nepal, India, Pakistan and Indonesia.	6. Improved government transparency, accountability and participation of women and men through support to decentralisation, anti-corruption programmes and public sector reforms	In India, support improved service delivery, decentralisation, accountability and participation and develop access to justice	Decentralisation to improve pro-poor service delivery is at the core of KUSP, KEIP and SRD, with CSSP addressing accountability. It is too early yet to observe major changes, but there are positive signs in the urban programmes
	7. Working to support sustainable livelihoods for poor people with particular attention to social, environmental and economic rights and protection of the poorest and socially excluded and the participation of poor people in decision-making	In India, work with partners to promote the rights and livelihoods of the poorest groups including access to environmental resources	EIRFP was West Bengal's livelihoods project. SRD was designed as a decentralisation programme, but through the virtual poverty fund should expand livelihood opportunities.
2 A SDA objective: DFID will provide increased support to contribute to effective and equitable education systems, focusing on primary education and including specific objectives on equitable access for girls and boys in Pakistan, Bangladesh, India and Vietnam.	10. Support to PRS and education sector strategies that include explicit objectives on universal primary education and education for all and emphasise quality, retention and access issues	In India, support primary education (£217m 1996-2008), universal elementary education (£200m over 5 years) and literacy for all (£100m)	There has been major investment in this sector: DPEP 1 & 2, and SSA. However education in West Bengal suffers from institutional constraints not addressed by these programmes, and thus the state is nationally one of the poorer performers.

<sup>43</sup> Asia Division - Director's Delivery Plan (2003-06)

<p>3.A SDA objective: DFID will provide increased support to contribute to effective and equitable health sector programmes, indicated by reduced child and maternal mortality and spread of infectious diseases, improved reproductive health and the development of HIV/AIDS strategies in Bangladesh, Pakistan, India, China, Nepal and Cambodia.</p>	<p>11.Ongoing implementation of strategies to reduce levels of child and maternal mortality that recognise the need for multi-sectoral responses, such as improved girls education, women's empowerment and improved access to water and sanitation</p>	<p>In India support multi-donor major national maternal and child health programme (£250m)</p>	<p>RCH has a footprint in West Bengal, alongside HSDI.</p>
	<p>12.Promoting increases in the proportion of public expenditure on health activities by governments and donors in countries receiving substantial DFID budgetary or health assistance</p>	<p>In India, support development of partner state-level health strategies, linked to MTEFs (£10 - £20m a year per state)</p>	<p>HSDI is a flagship sector approach to health, with a hard-won sector framework, strategic health plan, and Integrated Financial and Economic Plan (IFEP). More recently, this has been refined into a (draft) MTEF.</p>



## DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

DFID, the Department for International Development: leading the British Government's fight against world poverty.

One in five people in the world today, over 1 billion people, live in poverty on less than one dollar a day. In an increasingly interdependent world, many problems – like conflict, crime, pollution and diseases such as HIV and AIDS – are caused or made worse by poverty.

DFID supports long-term programmes to help tackle the underlying causes of poverty. DFID also responds to emergencies, both natural and man-made.

DFID's work forms part of a global promise to

- halve the number of people living in extreme poverty and hunger
- ensure that all children receive primary education
- promote sexual equality and give women a stronger voice
- reduce child death rates
- improve the health of mothers
- combat HIV & AIDS, malaria and other diseases
- make sure the environment is protected
- build a global partnership for those working in development.

Together, these form the United Nations' eight 'Millennium Development Goals', with a 2015 deadline. Each of these Goals has its own, measurable, targets.

DFID works in partnership with governments, civil society, the private sector and others. It also works with multilateral institutions, including the World Bank, United Nations agencies and the European Commission.

DFID works directly in over 150 countries worldwide, with a budget of some £5.3 billion in 2006/07. Its headquarters are in London and East Kilbride, near Glasgow.

DFID  
1 Palace Street  
London SW1E 5HE

and at:

DFID  
Abercrombie House  
Eaglesham Road  
East Kilbride  
Glasgow G75 8EA

Switchboard: 0207 023 0000 Fax: 0207 023 0016  
Website: [www.dfid.gov.uk](http://www.dfid.gov.uk)  
Email: [enquiry@dfid.gov.uk](mailto:enquiry@dfid.gov.uk)  
Public Enquiry Point: 0845 300 4100  
From overseas: + 44 1355 84 3132  
ISBN: 1 86 192 917 X