

## **Gansu SRL Project: Mid-Term Review**

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Report Title:	Report of the Mid-Term Review of Gansu: Jingyuan and Jingtai Sustainable Rural Livelihoods Project
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### **Background**

This project was identified and designed over 2000-2003 and implemented from 2004-2008. The New Zealand Agency for International Development's (NZAID's) key partners are China's Gansu Province Department of Trade and Economic Cooperation, the governments of Jingyuan and Jingtai counties and World Vision Australia. World Vision Australia was engaged as the Management Services Consultant (MSC) in late 2003. The project is to achieve poverty reduction and sustainable rural livelihoods through integrated rural development in 11 villages of Jingyuan and Jingtai Counties, based on the principles of integration, sustainability and replication.

To achieve this, the project has three objectives:

1. develop and demonstrate sustainable rural livelihoods and food security based on efficient use of water resources, improved agriculture production technologies, and training and access to community-based credit
2. improve education, public health and community infrastructure in the project villages through better access to resources and training
3. use participatory and gender sensitive approaches to project delivery that integrate institutional strengthening and capacity-building of all beneficiaries and agencies involved in the project.

By following key design principles of sustainability following donor withdrawal, integration of all activities and replicability of models, the project was expected to make a measurable contribution towards achievement of the goal. From the start, the project has been largely Chinese led, employing the traditional top-down approach of Integrated Rural Development (IRD), as opposed to contemporary participatory approaches. With the addition of New Zealand support the name changed from IRD to Sustainable Rural Livelihoods (SRL) project and several participatory approaches to working with women were introduced early and have played a part in the extension work, but overall the project has remained within the IRD paradigm. Total project expenditure has been estimated at around \$4.175 million, split 53:47 percent between the governments of New Zealand and China.

### **Purpose and Objectives**

The Review was intended to guide project planning and implementation over its final stages: 2007-2008. Participatory methods were used to involve beneficiaries in the Review. The Review objectives were to:

1. determine the extent to which project objectives (defined in the logframe) have been achieved so far
2. assess whether the project is being implemented effectively and efficiently by the MSC and the Chinese authorities
3. assess whether the project rationale is still valid and propose any modifications considered necessary to the original objectives, outputs and activities in order to improve development impacts, value for money and sustainability.

## **Main Findings**

NZAID supported activities early in the project placed equal emphasis on capacity building, institutional strengthening, project planning, training, improving domestic water supply and exploring ways in which cropping could be made more rewarding. From the start, poverty alleviation was promoted as a central part of project work, the participation of local farmers was strongly supported and a greater awareness shown of gender as an issue in development. According to the testimony of project beneficiaries and administrative staff, the principal outcomes of each of the activities have combined to produce a very positive impact on the quality of life and the general standard of living.

SRL: activities have demonstrated that even in this chronically water-short environment secure supplies of domestic water can be set up. The surface harvesting system is appropriate technology at its best easy to manage, low maintenance by users, and ensures an adequate supply of clean water. Access to good water has made a major contribution to the health of beneficiary families.

Village Revolving Loan Fund groups (VRF) were set up for women as both clients and managers. In addition to the money injected into the local economy, setting up the credit groups, the selection and training of management committees and the successful round of loans, have had profound impacts on the lives of participating women, especially younger women. Men are pleased and supportive. Instead of waiting for remittances from not always conscientious men, women can now support themselves to trial new agricultural techniques from training and extension courses. Delayed release of funding from NZAID to the VRF has caused problems recently.

Education and health: teacher training and equipment provided to schools have been welcomed by teachers, used by pupils and noted by parents. Systems set up to house and manage these will ensure their maintenance. Village based training, making people more aware of health, hygiene and safety issues, making health services more accessible to children and focusing on women's reproductive health has done a great deal to raise peoples consciousness of what they can do in the way of early intervention and use referral systems to get early treatment of what might otherwise become major medical issues. Providing professional training for medical staff and basic equipment to hospitals and clinics has improved the diagnostic capacity of local medical facilities.

Community participation: although a grass roots community planning process is not in place, groups of representative villagers (GIRD groups) were set up at the very start of the project. An MSC consultant, working in cooperation with the Women's

Federation in each Township, ran a training-of-trainers programme on how to teach women in project villages to work together. Linking town and countryside in this way has built understanding and morale, increased interaction between people from different areas, and connected villagers to the outside world. Setting up VRF has strengthened participation.

Capacity building: has covered a wide range of recipients from project personnel, graduate medical doctors to barefoot doctors, heads of primary schools to family planning clinics, village microfinance managers to illiterate farmers. In the absence of a reference baseline the outcome of this increased networking is difficult to measure but the presence of more skilled people available for community service is a positive achievement. As an on-going process, the provision of special training for project staff at all levels has enhanced operations distinguished by a high level of staff engagement and morale.

Reporting: the project has used a matrix linked to the logframe in which to report on progress made in key activities and outputs. These provided an excellent on-going assessment and update of key activities in a summary form. Achievements however are indicated by outputs achieved. Quantitative measures are used to good effect. Perhaps the weakest part of the otherwise excellent reporting system is the lack of a comprehensive listing of qualitative output. If this shortfall had been addressed it would have made it possible for both the project and the Review to provide an even stronger positive assessment of achievements. The project has worked in strict observance of the project objectives and the logframe has made good progress to achieving agreed outputs and some cases, through good management of project resources exceeded expectations.

Value for money: NZAID funds have been spent strictly in line with project guidelines and approval has been sought from NZAID on all matters on which questions could be raised. The recent audit report was positive, stating that it has been managed in conformity with International and Chinese auditing standards and accounting rules and with the requirements of the project Implementation Document. NZAID has got good value for the money invested. In the opinion of the Review team leader a more vigorously pursued participatory approach could have raised the value for money ratio, but this would have involved a radical rewriting of the project implementation document and the logframe and initiated changes that would have had to have been negotiated locally. The conservative approach adopted by the MSC remained true to the original negotiated understanding and has worked well. Given that relatively little time that remains for the project to run, it was recommended that it continue on its current IRD course.

In summary, there is a strong level of support for the project from all stakeholders from project staff to village beneficiaries. The project has remained active and relationships with beneficiaries optimistic. This can be credited to the approach taken by project staff and is a measure their achievement. Thus the project has gone a long way towards fulfilling its three objectives and in doing so achieved a degree of poverty reduction. Much of what has been done gives practical expression to the principles of integration, aspects of sustainability and, as long as there is money available to mount further work what has been done, could be gainfully replicated in other projects. The majority of farmers interviewed during the Review and the 100 or so who participated in one of three Participatory Learning and Action (PLA) exercises

revealed that despite on-going dry conditions their incomes had increased and their standard of living had improved. The credit for this achievement must be shared with other initiatives taken by central government to provide subsidies for schooling, and the planting of both trees and grain crops as well as assisting people to find jobs.

## **Key Issues and Learning for NZAID**

### Gender Equality

Out migration by men leaving many female-headed households is an issue. VRF provides women with their own funds to invest in livelihood opportunities, reducing dependence on remittances from partners working away from home.

### Participatory Approaches

The project inherited a top-down IRD approach from previous phases, and although a more participatory rhetoric is now in place, participation has not been adopted in practice. The VRF component was perhaps the most participatory element of the project, and has been highly successful.

### Cost-Effectiveness and Value for Money

Through PLA methods involving over 100 community members in the PLA exercises, the Review learned that despite on-going dry conditions their incomes had increased and their standard of living had improved. The credit for this achievement must be shared with other initiatives taken by central government to provide subsidies for schooling, and the planting of trees and grain crops as well as assisting people to find jobs. The Review team leader suggests that value for money could have been even higher if participatory approaches had been used more.

### Monitoring and Evaluation

Use of the logframe approach assisted clear quantitative reporting against outputs and objectives but qualitative measures of outcomes were missing and could have helped to identify and document the outcomes and impact of the initiative.

## **Follow-up**

The Review made 14 recommendations related to:

1. expansion of water harvesting systems, participatory extension and the VRF
2. arrangements to enable VRF to continue to operate successfully after the project closes
3. allocation of any available remaining funds to health-related priorities
4. endorsement/recognition of the project's successful Gender Policy.

These were considered and agreed to by NZAID and formed the basis of NZAID's view in a subsequent meeting of the Project Coordination Committee in April 2007.