

Role of M&E in Strengthening Market Management Committees



Markets are the common places for social, political and economical intensive communication among the rural populace. Notwithstanding the fact that many different developmental projects are being implemented to reduce poverty of the disadvantaged and poor, there are some sectors where efforts are required from the State. Rural markets are a strategic area for enhancing rural economies. Keeping this in mind, the MIDPCR project developed 66 markets in the project area using IFAD funding. As a first step in developing a market, a Market Management Committee (MMC) was formed and subsequently made responsible for the overall maintenance and development of the market.

The Market Infrastructure Development Project in Charland Regions, popularly known as MIDPCR, is implemented by the Local Government Engineering Department (LGED) with financial assistance from IFAD, the Government of The Netherlands (GON) and the Government of Bangladesh (GOB). The project ran from February 2006 to June 2013. The cost of the project amounted to Tk 3124 million (US\$10 million). The MIDPCR is a service sector rural development project with four components. It targets 87,000 beneficiaries, including LCS members. MIDPCR uses a holistic approach to conduct poverty alleviation activities in the southern char areas of five coastal districts in Bangladesh.

Rationale for developing rural markets

To boost the rural economy, develop market-driven agriculture and stimulate the private sector, MIDPCR has set up 66 rural markets. These rural markets were established with the following objectives:

- Enhance the local economy by promoting market outlets for local producers in the area
- Establish linkages with bigger regional markets to ensure better prices for agricultural crops
- Encourage local market actors to contribute to business service development
- Establish a platform in which more buyers and sellers can participate under a competitive environment
- Establish a congenial environment for women buyers and sellers
- Promote local employment opportunities
- Increase the turnover of local products
- Reduce spoilage of agricultural commodities

Stages of in building rural markets

- Market Management Committees (MMCs) play a key role in the approach and are established.
- MMCs are established as per government gazette guidelines.
- Training and workshops are organised for MMC members to enhance their knowledge and influence their attitude towards development work and, later on build capacities in the operation and maintenance of the developed markets.
- A memorandum of understanding is signed between MMC and the Local Government Engineering Department (LGED).
- The MMCs assist in preparing the master plan.
- The Labor Contracting Society (LCS) is selected and formed.

An MMC is set up with equal numbers of members (11) in every market following government gazette guidelines. The participation of two women in the committee is ensured in all MMCs—one is a female representative of Union Parishad and the other is a female trader. The incumbent Union Parishad chairperson also chairs the committee. The revenue collector and the community organiser of the LGED also serve as members of the committee, along with representatives of shopkeepers, temporary traders women traders, and van/rickshaw drivers.

Role of the M&E unit in strengthening the MMC

The M&E unit assists the MMC in the following areas: (i) improving the performance of rural market management services; (ii) creation of an environment for investment in business growth and increased access to market services; (iii) revising of existing marketing policy and development of institutional models to sustain a profitable and environment-friendly business. Strategic activities are undertaken by the MMC and these are closely monitored by the M&E unit over the 5½-year period of the project.

Several discussions are held between MMC and MIDPCR. Actions undertaken by the MMC are closely monitored by the M&E unit at the field level. Intensive monitoring ensures that all activities are run smoothly and performed in a timely manner. MMCs help the project in various ways as:

- Maintaining books of accounts
- Preparing of an annual budget
- Releasing 25% lease value erasure
- Mobilising funds
- Ensuring electricity supply
- Ensuring cleanliness
- Keeping a good environment
- Maintaining a hanging toll chart
- Introducing the 'pay toilet' concept

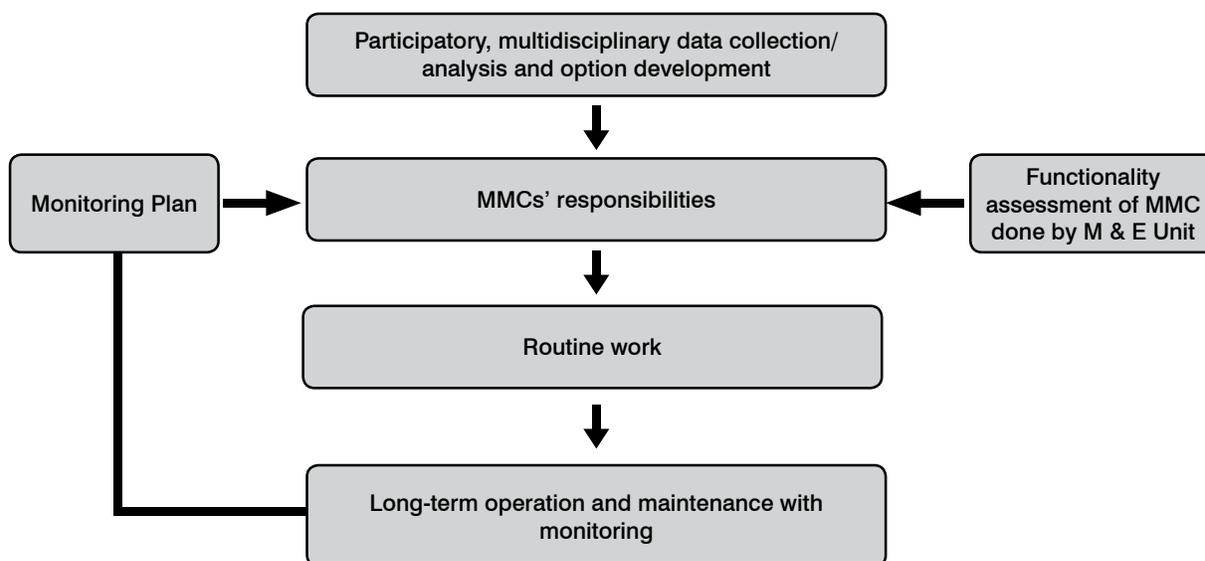


Figure 1. Responsibilities of the MMC.

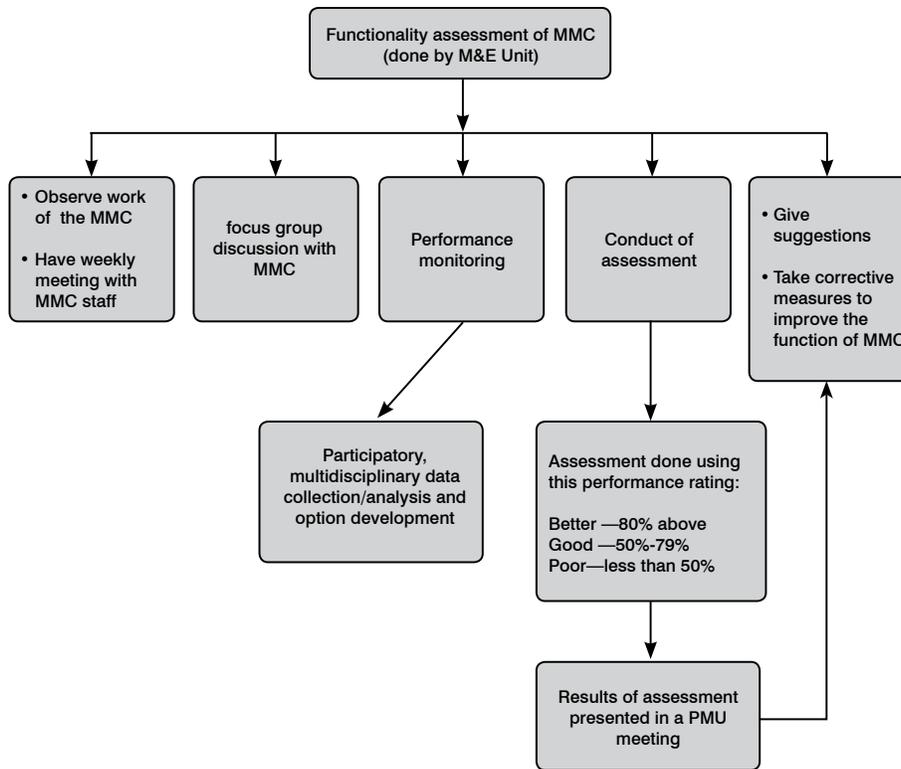


Figure 2. M&E tools used in MMC activities

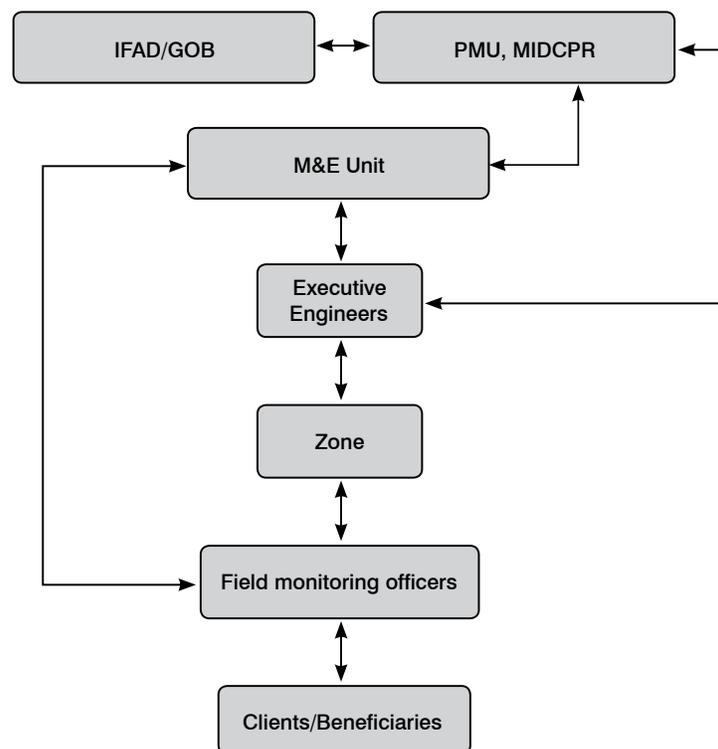


Figure 3. Flowchart of M&E reporting.

Case Story

Nazirpur hat: a case story

New systems of market operation have emerged from the support given by the Market Management Committee (MMC) of Nazirpur hat. The MMC has helped enforce existing regulations and has received 25% of annual lease values from the Upazila Parishad. At the same time, new physical developments in the markets brought in additional private investments. This contributed to the local economy and increased the income of the investors. MMC records show that they met fairly regularly (usually monthly) and have dealt with a number of market management issues.

Among all markets, Nazirpur hat had an outstanding performance in terms of trading brought about by the infrastructure developed with direct help from the MMC. The active involvement of MMC has contributed to making the market grow faster and become more important than the other markets. The critical steps included the selection of new locations for the market, improvement of communication facilities, optimum utilisation of market space and facilities, efficient management, imposition of actual toll charge, allocation of space, quick decisionmaking, and prompt resolution of conflicts among stakeholders, leaseholders and trader associations.

All the subcomponents—e.g., external and internal roads around the market, drainage outlets, tubewells, toilet blocks, garbage pits, open sale platforms, fish and multipurpose sheds—were accommodated in the market. Women market sections were also developed by the project as a new initiative to involve women in the trading profession.

Traders were doing business in a conducive environment. Paved roads have been built. The development of connecting roads to link remote villages with the main road and then to the markets helped significantly. Private rural investors increased their investment in existing businesses (permanent shops); some were able to open new shops. It is expected that the number of shopkeepers would continue to increase over the period. Accordingly, commodity inflow and turnover also naturally increased and so did the scale of operation. With the increase in market facilities, people have shown interest in the trading profession.

Markets are a key component of the rural infrastructure projects implemented by the LGED. To convert a market place into a business hub, the MIDPCR provides all the needed support and is able to demonstrate major impacts of market development efforts.

- The MMCs select the markets, prepare the master plans, design and plan the construction sites. They actively take part in the design of market sheds and basic infrastructure. The designer is given suggestions so that the best location for each sub-component is chosen.
- MMCs help project staff in information campaigns and publicising the activities. Gatherings are organised and from these, LCS groups could be designated. They assist the project team in the formation of LCS, creating a congenial environment in which LCS group members can work without facing any pressure from the community.
- In a typical situation, most of the bazaar development sites were already occupied by unauthorised settlers. Here, MMC intervention is usually needed to stop the unauthorised occupation of shops or houses. The MMCs play a key role in helping relocate the structures without conflict. The MMCs ensure the safety and well-being of buyers and sellers and help establish an atmosphere favorable to business. The MMCs have a strategic role in helping ethnic women groups gain access to market services.

The MMC is as an institution that manages rural markets. It is responsible for creating an environment conducive to market development and business growth. A congenial environment in the market will create jobs, increase sales and investment and increase access of poor women and men and ethnic groups to market services. Recent supervision missions have confirmed that some of these goals are being achieved.

Findings from an assessment of the project

The markets developed under the MIDPCR have brought about a tremendous boost to overall economic and business activities in the areas. Some of the changes are shown in the table.

Item	Before development	After development
Banks	0	1
Social clubs	0	5
Schools	0	3
Number of shops	15	200
Volume of cash turnover in the market (Tk)	20,000	100,000
Number of market participants in the market	2,000	10,000
Lease value (Tk)	5,000	80,000
Number of boat landing stations	None	1
Number of launch/cargo in the landing station	0	100
Linkage with markets specially with Dhaka	None	3
Volume of goods	2,000 kg	20,000 kg
Paved road (radius of the market)	None	10 kms.
Number of women buyers	10	150
Number of women sellers	2	15

- There was considerable increase in the number of permanent shops in the market, from 15 to 200.
- A significant increase in capital investments in permanent shops was noted from Tk 50,000 to Tk 1,000,000.
- The number of participants increased from 2,000 to 10,000.
- There was an increase in the 'command area—i.e., the distance traveled going to and from the market. From five villages, it grew to 10 villages after development.
- An increase in value of land adjacent to the market was observed: from Tk. 5,000/decimal to Tk.100,000/decimal (1 decimal=0.01 acre).
- An increase in the number of service facilities such as bank branches, social clubs, cooperatives and schools was seen.

The vibrant atmosphere of this market has helped make shopping a fruitful experience. In fact, Nazirpur hat has been regarded as the best market under the MIDPCR project, owing to a dedicated MMC that is very conversant about their roles and responsibilities.

Enhancing market access for women

A total of 66 markets were built and, within each market, at least 20% of the space was set aside to encourage and bring women into the marketplace. Markets are expensive to build but they are often critical in promoting women's economic participation for two reasons: (a) the allocation of a separate space where women vendors can operate is more acceptable in conservative areas, and husbands are more comfortable with their wives trading in the market if they work side by side with other women; and (b) women vendors increase the acceptability of women traveling to the market and buying their own goods, particularly products sold by women vendors. In addition to these market-related benefits for women in particular, these markets are being built only when alternative markets are a significant distance away (as much as a day is required to travel to the market and back). Distant markets imply that access to food could be limited for households who rely on daily labor payments but are not able to go to the market more than once a week. In these remote areas, where refrigeration is not an option, they miss out on the purchase of vegetables, which have been harvested on the same day and which could have provided better nutrition.

Lessons learned

Because of the intensive monitoring by the M&E unit of the MIDPCR, MMC is becoming a capable local-level institution. Good maintenance of market infrastructure and effective market rules attract users, sellers, traders and buyers. The market has turned into a vibrant economic centre in a rural setting. Effective management increased business and trade, generated revenue and mobilised resources, thus creating financial viability for expansion and improvement of the market without much external assistance. Improving women's corners is a commendable initiative.

Conclusion

MIDPCR is one of the IFAD projects in Bangladesh that adopted the MMC as an institution to capture the results of the project at the market level. The market has double up and implemented through the help of MMC and close M&E system by integrating the different indicators.

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Acronyms and abbreviations

GON	Government of The Netherlands
GOB	Government of Bangladesh
FAD	International Fund for Agricultural Development
FMO	field monitoring officer
LCS	Labor Contracting Society
LGED	Local Government Engineering Department
MMC	Market Management Committee
MIDPCR	Market Infrastructure Development Project in Charland Region

M&E	monitoring and evaluation
Tk.	Bangladeshi taka (unit of currency)
VDC	village development committee

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