



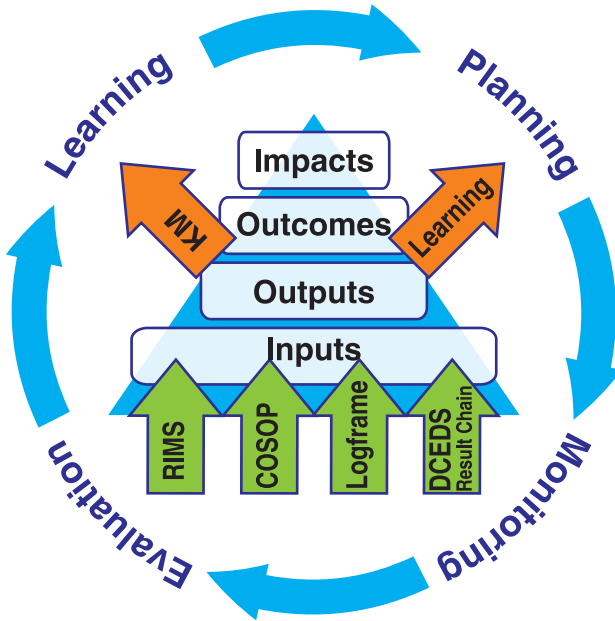
Investing in rural people

Government of Nepal  
Ministry of Agricultural Development

## High Value Agriculture Project in Hill and Mountain Areas (HVAP)

Project Management Office: Birendranagar, Surkhet

### Monitoring and Evaluation System in HVAP: A brief Introduction



Implementing Partners



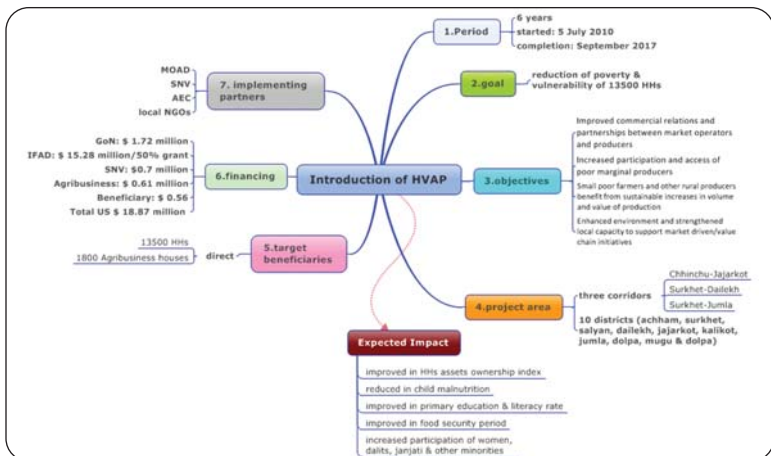
## Context

Monitoring of activities and measuring their impact is crucial as it ensures improvement-oriented critical reflection, allows development programmes to better manage their interventions and maximize their impact.

Nepal, officially the Federal Democratic Republic of Nepal, is a landlocked country in South Asia and just entered into republic system. It is also one of the poorest countries in the world and one of the first to benefit from IFAD loans. Since 1978, IFAD has provided a total of US\$ 146.2 million in loan for 14 projects. Four of those are ongoing and the High Value Agriculture Project in Hill and Mountain Areas (HVAP) is one of them.

The HVAP is a market led initiative that seeks to provide income and employment benefits to poor small holder farmers, landless and agribusiness through development and upgrading of pro-poor value chains in the Mid and Far Western Development Regions of Nepal. It has a budget of US\$ 18.87 million and is being implemented since February 2011. The project follows Inclusive Business and Value Chain Development approach in the geographic boundaries demarcated by three road corridors: Chhinchu-Jajarkot, Surkhet-Dailekh, and Surkhet-Jumla.

Figure No.1: Basic Information of the Project



Source: HVAP M&E System

The nature of the HVAP, based on the development on various value chains, demands that its monitoring and evaluation system captures both the market dynamics per value chain and infuses social indicators. Thus, it was decided to develop an M&E system that carries the essence of two results measurement systems: Result and Impact Management System (RIMS) and the Donor's Committee for Enterprise Development (DCED) Standard.

The challenge for HVAP was to design an M&E system integrating both RIMS and DCED Standard, in order to ensure maximum efficiency of the M&E system and returns to M&E efforts.

### ***The DCED Standard***

The DCED is a forum where donors, foundations and UN agencies working on Private Sector Development (PSD) share their practical experience and lesson learned, identify good practice and new innovations.

It has developed the DCED standard for result measurement in order to enable programmes to better management interventions and estimate their results in a credible and practical way.

The standard provides a practical framework where programmes can be monitored against their progresses towards their objectives, according to good practice.

It is based on the use of detailed results chains to make explicit the linkages between activities and changes that need to happen in particular sequence to lead to the ultimate impacts envisaged, it offers them the chance to articulate the complex logic behind the design presented in logical frameworks.

Three impact level indicators which are enterprise-oriented and recommended: net income, scale and net additional jobs.

In HVAP, the standard is the basis for the project M&E framework but it has been adapted to the project specificities. As project intervention strategies are specific to each value chain (VC), results chains are being developed for each VC, setting out relevant indicators and a measurement plan.



The mandatory indicators of the Standard have been adapted in the case of HVAP, defining the HHs as HHs enterprises. Thus, impact level indicators will be tracked at HH level.

And as the work in the various VCs will be gradually phased in, baselines will be conducted around each of the VCs as they come on line.

### ***Integration of the RIMS and DCED Approaches***

The RIMS is the framework adopted by IFAD in 2004 for measuring and reporting the results and impacts of the projects it finances.

Indicators have to be settled and results collected as output, outcome and impact levels. Two indicators at impact level are mandatory: number of HHs with improvement in HH assets ownership index and % reduction in the prevalence of child malnutrition.

Unlike the Standard, it includes a menu of indicators at 1st and 2nd levels where the project has to select those relevant to the project supported interventions. Mandatory and chosen indicators have to be included in the logframe, which IFAD pays particular attention to. Projects are expected to report to IFAD on a project year basis.

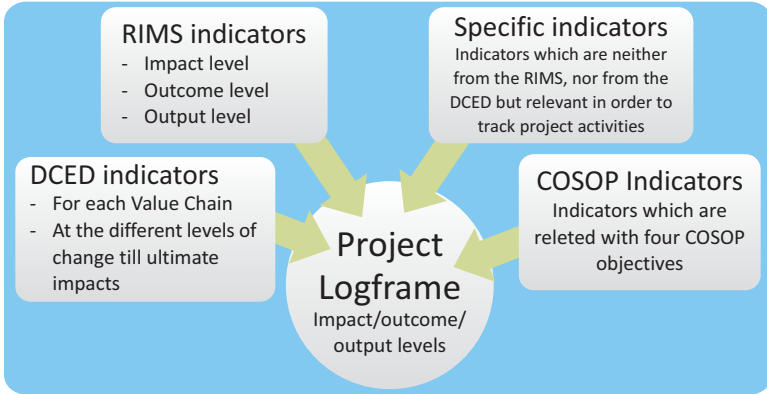
As the core idea of DCED and RIMS being closer, the integration of both approaches in the design of the M&E system didn't raise any particular difficulties but required few adjustments in order to make them fit well.

#### *i. Logframe Revised*

The logframe of HVAP has been revised based on the results chains. Whereas each value chains has its results chain with specific indicators, the logframe comes up with general indicators that track common changes among all the VCs/groups/districts.



Figure No.2: Integration of different tools and indicators



At output/outcome levels, most of the RIMS indicators are quite general and can be aligned with service market outputs/outcomes VC indicators devised by the Standard.

In the log frame, RIMS social impact indicators come at goal level and Standard impact indicators at purpose level as they contribute to the achievement of the goal level impact.

## ii. *Baseline Study*

A single rolling baseline covering RIMS and VCs specific indicators, in phases that correspond to gradual selection of project areas and VCs interventions was conducted, with additional questions to the RIMS baseline questionnaires.

### *Box No.1: Combined Baseline Survey in HVAP*

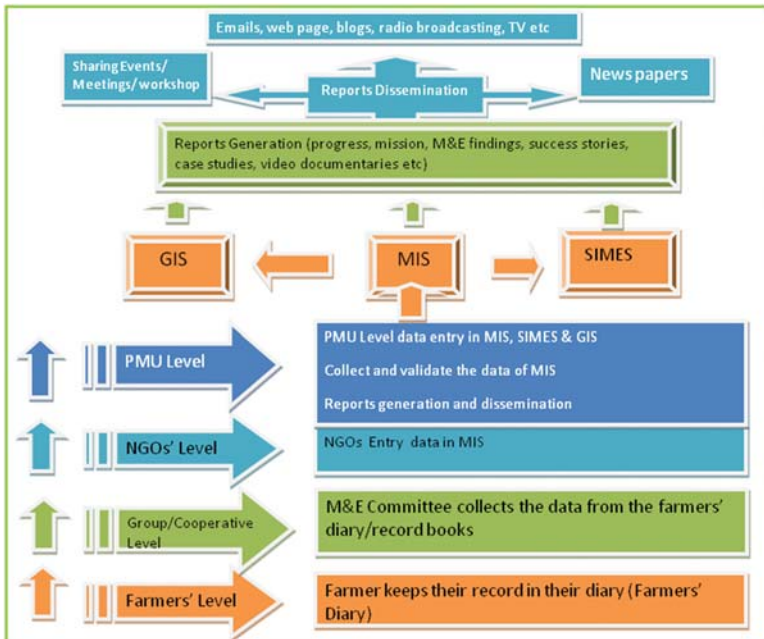
*The project has list of 7 prioritized value chains, the total number of respondents reached to 960 (32 clusters/30 respondents) to interview for value chain and RIMS baseline survey. The survey questionnaires (producers and traders), focus group discussion (cooperatives, groups, market management committees etc) and RIMS baseline questionnaires (IFAD standard) were used. A respondent stratification exercise was undertaken in each pockets/clusters prior to the interviews, using participatory tools like socio-economic well- being ranking. Based on the stratification exercise, sample consisted of respondents representing at least four economic strata (ultra-poor, moderately poor, near poor and above poor).*



iii. *Data Collection, Store and Analysis*

The HVAP focuses to collect the data and information at different level of its direct beneficiaries like: individual famer and trader level, group and cooperative level on their intended and unintended impact. The project is collecting the data at households' level on the project support and the result of those supports. The data are being collected by using various tools like: formats, sub-project monitoring checklist, direct field observation, special study etc and stored and analyzed through online Project Management Information System (PMIS), Geographical Information Management System (GIMS), and Standard IFAD Monitoring and Evaluation Sheet (SIMES).

Figure No. 3: Data collection, storage, analysis and use of information



Source: HVAP M&E System

iv. *Result Measurement Plan*

The HVAP M&E matrix/plan has been developed which explains the details of indicators, information and data needs, baseline information, sources of data, frequency & methods of data collection, responsible unit/person and use of information and dissemination. Based on the M&E plan, the project has developed the project results measurement plan which is given below:

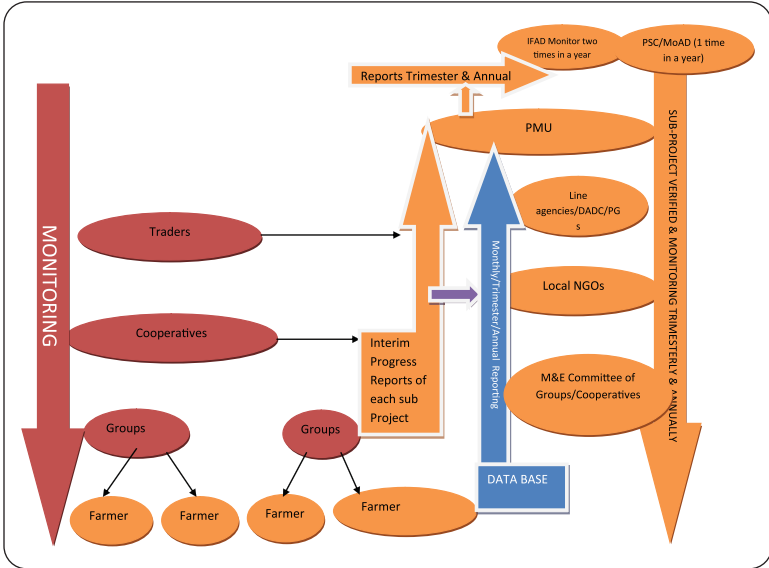
**Monitoring plan**

*Table No. 1: Monitoring Plan*

S.N.	Agencies/ Organizations	Frequency of Monitoring	Types of Monitoring	Responsible Unit/Person
1	IFAD/Mission	Two times in a Year	Outputs/outcome/process monitoring	Project Manager/M&E Expert
2	CPE		Result monitoring	Project Manager/M&E Expert
3	MoAD/PSC/NPC	Once in a Year	Outcome monitoring	Project Manager/M&E Expert
4	PCCG	Every Six month	Outputs/Process monitoring	Project Manager/M&E Expert
5	PMU	Every six month	Process Monitoring	Project Manager
		Every Trimester	Inputs/Outputs/Process /outcomes monitoring	M&E Expert, SNV, AEC
		Every Year	Outcome Monitoring	Independent Consultancy Firm
6	Public Audit Group	Two times in a year	Process monitoring	Public Audit Group
7	DADC	Every Trimester	Process Monitoring	DADO/DLSO/DFO/DCCI/DDC
8	District Line Agencies	Every Trimester	Process Monitoring	DADO/DLSO/DFO/DCCI/DDC
9	LNGO	Crop cycle/Trimester	Inputs/outputs Monitoring	Programme Coordinator
10	Group and Cooperative	Crop cycle	Inputs/outputs/outcomes Monitoring	M&E Committee of groups and cooperatives

Source: HVAP M&E System

Figure No. 4: Monitoring and Reporting Mechanism in HVAP



## Evaluation Plan

The results of the project will be observed and evaluated every year based on project indicators. The effectiveness, efficiency, relevancy, impact, and sustainability of the project interventions will be evaluated by the project mainly. The project will evaluate its impact based on the "before and after HVAP support". The project will evaluate its impact in two levels mainly, farm level (direct beneficiaries and indirect beneficiaries), and cooperative/enterprise level.

The results of the project will be updated yearly on SIMES, RIMS and DCED result chain sheets. The Result Measurement Schedule and evaluation plan has been shown on the following table and figure:



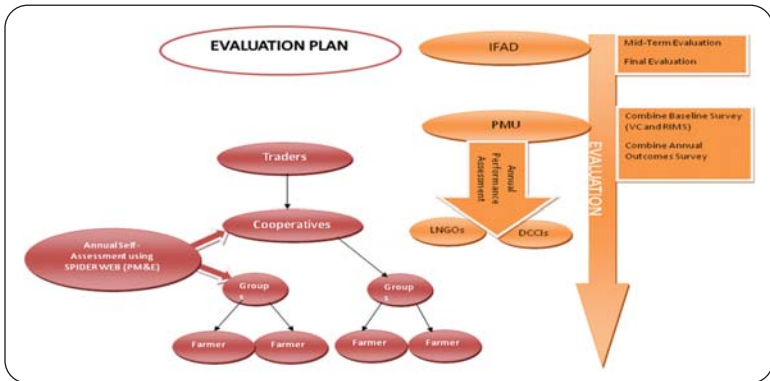


Table No.2: Result Measurement Schedule

Activity	Year						Remarks
	2012	2013	2014	2015	2016	2017	
Baseline Survey (apple, ginger, vegetables seed)							Combine RIMS, Project, DCED (VC)
Baseline Survey (Off Season Vegetables, Timur, goat meat, turmeric)							Combine RIMS, Project, DCED (VC)
Annual Outcomes Survey							Combine RIMS, COSOP , DCED (VC result chain)
Mid-Term Evaluation							Combine RIMS, COSOP , DCED (VC result chain)
Final Evaluation							Combine RIMS, COSOP, DCED (VC result chain)

Source: HVAP M&E System

Figure No. 5: Evaluation Plan in HVAP

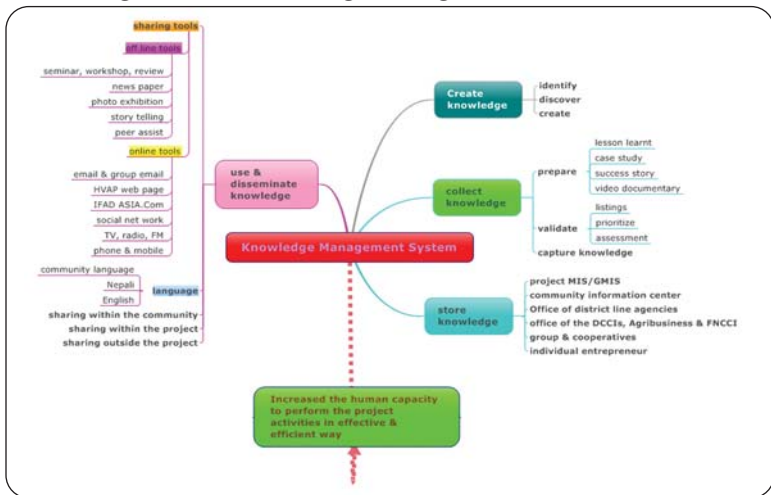


v. Knowledge Management

Relevant information will be extracted from the database and further analyzed and documented to create user friendly outputs (e.g. short articles, maps, graphs and pictures) showing the evolution of the various activities of the project, and comparing the actual results with previously defined objectives. Lessons can then be drawn from the successes and failures of project activities. Thematic technical papers and case studies will also be written to share knowledge and experiences on specific topics.

The HVAP will manage the knowledge in accessible way to the project stakeholders as well as other development actors, for reducing rural poverty by promoting good practice, scaling up innovations and influencing policies. The HVAP will use the different tools to share its knowledge like story telling (farmer to farmers), communities of practice (group to group, community to community), peer assist (organizational level) etc. The following diagram reflects the knowledge management system of the HVAP. The following figure has been detailed in the knowledge management plan of the HVAP.

Figure No. 6: Knowledge Management Plan in HVAP



### Specific Features of HVAP M&E System

- Integrated approach of three tools (RIMS, DCED and Project Log frame);
- Decentralized Data and Information Collection System;
- Tracking the Production, Consumption, Sales and Income Data of the Individual Producers and Traders;

- Use of MIS and GIS to manage and store the Data of the Project;
- Annual Outcome Monitoring through Household Survey;
- Knowledge Management and Learning.

The M&E System of the HVAP has been endorsed by Project Steering Committee and being implemented by the Project. It will be updated based on the feedback received from the users and participating stakeholders.

### ***References:***

- HVAP M&E System
- IFAD Country level M&E System concept note
- HVAP design document
- Literatures on DCED Standard tools



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