Republic of India
Jharkand-Chhattisgarh Tribal Development Programme
Impact Evaluation

Executive Summary

Background

1. As decided by the IFAD Executive Board, the Independent Office of Evaluation of IFAD (IOE) carried out an impact evaluation of the IFAD-supported Jharkhand-Chhattisgarh Tribal Development Programme (JCTDP) in India in 2014/2015.

2. The overall rationale and terms of reference for this impact evaluation are captured in the approach paper.¹ This approach paper contains a summary of the impact evaluation's design, including its methodology and process, key evaluation questions, data collection techniques, process, timelines, plans for its dissemination, human resources deployed and other pertinent information.

The programme

3. The JCTDP was implemented in two contiguous states, namely Jharkhand and Chhattisgarh. In April 1999, the IFAD Executive Board approved a loan for the Bihar-Madhya Pradesh Tribal Development Programme, which was later renamed JCTDP, following the creation in 2000 of two new states (i.e. Jharkhand and Chhattisgarh), which were carved out of Bihar and Madhya Pradesh.

4. The loan became effective in June 2001 and was completed on 1 January 2010 in Chhattisgarh, and on 30 June 2012 in Jharkhand. Total project costs were estimated at US$4.7 million, including an IFAD loan of US$23 million. By the end of the programme, the actual costs were around US$33.3 million, including an IFAD loan of about US$20.8 million. The IFAD loan was therefore smaller than the amount initially approved by the Board. The reasons for this reduction are discussed in the main report.

5. The programme area. India has around 100 million tribal people. The two states together are home to 16.25 per cent of India's scheduled tribes. Three quarters of these tribal people live in rural areas. When the programme became effective in 2001, Jharkhand had the second highest proportion of scheduled tribes (26.3 per cent) after Chhattisgarh (31.8 per cent).

6. Jharkhand is considered one of the most industrialized states in India and both states are richly endowed with minerals. Yet industrial development has not brought prosperity to the populations of Jharkhand and Chhattisgarh during the last 50 years. The majority of the tribal population still depends on forest-based rural activity and is not particularly familiar with mainstream society, including its economic development, politics and cultural practices. With the nationalization of forests and correlated displacement over the years, the scheduled tribes have become more dependent on agriculture and, to a small extent, on unskilled jobs in urbanized areas.

7. Eighty-five per cent of the rural population lives below the poverty line (US$1.25 per day) and both states are in the "alarming" category of the Global Hunger Index,² given their relatively high levels of malnutrition and malnutrition.

² A score between 20.0 – 29.9 is categorized as alarming in the International Food Policy Research Institute’s Global Hunger Index.
undernourishment. Nearly 50 per cent of children under five years of age in Chhattisgarh and 57.1 per cent in Jharkhand are underweight, with tribal people in rural areas among the worst affected.\(^3\)

8. Slow development, limited self-governance and the struggle for redistribution of land and natural resources are among the primary reasons for the growth of far-left extremism in many states in India, including Jharkhand and Chhattisgarh. The so-called Naxalite-Maoist insurgency movement is particularly present in dense forests and in less developed and remote tribal areas of rural southern and eastern India. Naxalites have historically been quite active in Chhattisgarh and Jharkhand. With the introduction of the Provisions of the Panchayats (Extension to the Scheduled Areas) Act, 1996, the Government of India aimed to change the socio-political landscape of the scheduled areas, and eventually eliminate grass-roots support for the Naxalite-Maoist movement.

9. **Programme objectives.** The programme had three main objectives: (i) empowerment and capacity-building of tribal grass-roots associations and users' groups; (ii) livelihood system enhancement through activities that generate sustainable increases in production and productivity of land and water resources; and (iii) generation of alternative sources of income outside of agriculture, particularly for landless people.

10. The programme comprised the following components: (i) **beneficiary empowerment and capacity-building:** especially of tribal grass-roots associations and users' groups, financing awareness-raising of tribal rights and gender issues, farmer-based technical training, and strengthening of the managerial and legal skills of the target group; (ii) **livelihood systems enhancement:** with particular focus on infrastructure, land and rural water management, community-based forest management, livestock production improvement, rural microfinance, health and nutrition services and the development of a crop research programme; and (iii) **programme management:** mainly targeting the mobilization of beneficiary communities and the construction of working linkages with donors, NGOs and government staff. The programme's logical framework is provided in annex IV of the main report.

11. **Target group.** The target group consisted of all households in villages, hamlets and habitations in which at least 50 per cent of the total population was made up of tribal communities, particularly vulnerable tribal groups (PVTGs) and scheduled castes, and in which a majority of households live below the poverty line. Special attention was to be paid to vulnerable groups such as tribal women, landless people, semi-landless people, smallholders, hill cultivators, scheduled castes and PVTGs.

12. **Institutional arrangements.** Autonomous state-level Tribal Development Societies (TDSs) were created in Chhattisgarh and Jharkhand to ensure that the programme would have an effective and efficient delivery system. Jharkhand's TDS operated within the overall framework of the state's Department of Welfare, while Chhattisgarh's TDS operated within the overall framework of the Tribal Development Department.

13. A programme management unit (PMU) was established within each TDS, headed by a state programme director who was responsible for broader, day-to-day programme management. A total of four district project implementation units (DPIUs) were established, each headed by a district project manager.

14. Eighty-three facilitating NGOs assisted the DPIUs in the overall implementation of the programme at village level, by mobilizing village grass-roots organizations and crafting local leadership capacity, along with promoting decentralized planning and

\(^3\) International Food Policy Research Institute (2009).
management. The local communities were organized into self-help groups (SHGs), common-interest groups for livestock and aquaculture activities, farmer field schools, and various committees responsible for planning and implementing specific programme activities.

15. The programme facilitated the establishment of democratic decision-making processes by supporting gram sabhas, which are the most important decision-making bodies at village level. Each gram sabha had a project executive committee, which was in charge of merging the micro-plans prepared by the village grass-roots organizations into a gram sabha natural resource management and livelihood plan.

**Evaluation objectives, methodology and process**

16. **Objectives.** The main objectives of this evaluation are to: (i) assess programme impact in a quantitative manner, while also paying due attention to qualitative aspects; and (ii) generate findings and recommendations that can be used in the design and implementation of similar interventions in India and elsewhere in the future.

17. **Methodology.** This impact evaluation covers all evaluation criteria adopted by IOE: relevance, effectiveness, efficiency, impact, sustainability, gender equality and women's empowerment, innovation and scaling up, and performance of partners (IFAD and Government). This means that while the focus of the evaluation is decisively on the impact criterion, the programme's performance has also been assessed across all other criteria. This allows the impact evaluation to provide a more strategic and holistic assessment of JCTDP's performance.

18. At the outset of the evaluation, and to determine the most suitable methodology to adopt, IOE conducted a thorough evaluability assessment of the JCTDP. This allowed for a better understanding of the availability and quality of existing data (e.g. baseline data, and data from the results and impact management system [RIMS] for the impact evaluation).

19. Based on the outcome of the evaluability assessment, IOE decided to follow a mixed-method approach in this impact evaluation, using quasi-experimental techniques that entailed a combination of quantitative and qualitative analysis. The evaluation made extensive use of both primary and secondary data and information.

20. As a result of the poor quality and incomplete baseline data, the impact evaluation primarily relied on "with and without" analysis to assess programme impact. It could not use the "before and after" approach to complement the "with and without" analysis, in part because it would have been extremely challenging to reconstruct baseline data (e.g. through recall techniques) for a programme that was designed nearly 20 years ago.

21. The evaluation used propensity score matching (PSM) as the quasi experimental method to match a subset of households with and without programme intervention according to a set of characteristics\(^5\) not likely to have been affected by the programme.\(^6\) If the difference between the matched treatment and comparison groups on the variable of interest is statistically significant, this difference can be attributed to the programme.

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\(^4\) All the criteria will be rated on a scale from 1 to 6, where 1 – highly unsatisfactory, 2 – unsatisfactory, 3 – moderately unsatisfactory, 4 – moderately satisfactory, 5 – satisfactory, and 6 – highly satisfactory.

\(^5\) For the purpose of this evaluation, the following variables were selected: caste of the household; poverty line status; literacy percentage; engagement in agricultural activities; and participation in gram sabha meetings.

\(^6\) The PSM method minimizes the confounding variables that may adversely (either more or less attribution) affect the attribution of the impact to the programme.
22. A central component of this impact evaluation was therefore to design an impact survey to collect primary data from the treatment and the comparison groups, covering 8,804 sampled households in both states. The evaluation used a number of data collection techniques to collect qualitative data, such as focus group discussions, key informant interviews and site observations. More information on the data collection methods and the approach used to determine the sample size and sampling strategy may be seen in section II of the main report (see tables 1-3).

23. The evaluation assessed not only "if", but also "how" and "why" the programme had, or did not have, an impact on selected households and communities in the programme area. To this end, the evaluation reconstructed ex post the programme's theory of change together with relevant stakeholders, which are shown in annex I of the main report. The theory of change illustrates the casual links and assumptions for the achievement of impact and overall project objectives.

24. Thereafter, IOE developed an indicator matrix to describe the effects of the programme along the results chain. This matrix guided the preparation of a detailed evaluation framework containing the key questions for the evaluation, as well as the quantitative and qualitative research tools for collection of primary data. The indicator matrix is contained in annex II, and the evaluation framework in annex III of the main report.

25. Process. The evaluation process started with a comprehensive desk review of available data and documents. Thereafter, a preparatory mission to India was undertaken by IOE in June 2014, to launch the impact evaluation. Following the preparatory mission, IFAD bidding procedures were followed to identify and select a national company for data collection and analysis.

26. A second mission was fielded by IOE in December 2014, to test and finalize the data collection instruments in selected districts and blocks of the programme area. The primary data collection and analysis took place between December 2014 and February 2015.

27. Thereafter, between March and April, IOE drafted the final impact evaluation report, which was first peer reviewed within the division. The draft was shared for comments with IFAD Management and the Government in May. The Food and Agriculture Organization of the United Nations (FAO)'s Office of Evaluation also peer reviewed the draft final report.

28. IOE organized a learning workshop in New Delhi on 11 June 2015, with the aim of sharing the results and lessons from the evaluation with key stakeholders. Moreover, IOE held a learning workshop at IFAD on 24 June 2015 with IFAD Management and staff. The impact evaluation report, together with Management's written response, was discussed in the Evaluation Committee at the end of June 2015.

29. Lastly, in terms of communication and dissemination, the report has been published and posted on the evaluation section of the IFAD website. Special efforts are being made to ensure wider outreach of the evaluation's main lessons and recommendations to programme beneficiaries through affordable and effective communication media (e.g. radio, television, etc.).

30. Limitations. While baseline surveys were available in both Jharkhand and Chhattisgarh, they had not been conducted at the outset of the programme, and in the case of Jharkhand did not include a comparison group. This limitation was overcome by using a mixed-method approach and triangulation techniques, which

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7 The treatment group includes project beneficiaries, whereas the comparison group includes those who did not benefit from programme services and inputs.
8 The baseline surveys were carried out nearly five years after loan effectiveness.
entailed collecting and analysing information and data from more than three sources, using different instruments, before making final evaluative judgements.

31. With regard to methodology for data collection and analysis, while PSM is widely used, the technique also has some limitations. The most obvious is that the pairing of households "with and without" the programme can only be done based on "observable" characteristics. If households with and without the programme differ on other characteristics that are not captured by the survey or the statistical model, then the results may still be biased to a certain degree.

32. While PSM can check for contamination and spillover effects, it cannot completely eliminate this bias, especially in a programme that overlaps with many "blanket" government development interventions. To overcome this limitation to the extent possible, and in order to check and ensure the consistency of the results, other matching techniques were used, such as Kernel Matching to calculate the average treatment effect and the nearest neighbour method. Both algorithms have produced similar results.

33. The fact that JCTDP was implemented as two separate operations in two different states also posed some challenges to the evaluation. IOE had to examine two sets of project documentation and data, and meet government officials and conduct field work in two states, all with the budget assigned for a single impact evaluation. This limitation was overcome by fine-tuning some elements of the evaluation process, as and when feasible. For instance, IOE asked the project directors from both states to come to New Delhi for a joint briefing at the outset of the evaluation, rather than travelling to two different states which would have entailed more time and resources.

Main evaluation findings

34. **Programme performance.** The programme's objectives were closely aligned with relevant government and IFAD policies and strategies, such as India's five-year national development plans and IFAD's country strategies, as well as with the needs of poor people. However, the programme design had some inherent weaknesses. For instance, covering two separate states under one loan implied that JCTDP was in fact two projects, which constrained its implementation and outcomes.

35. Furthermore, the programme components were complex and included several activities in different subsectors, expected to generate multiple results. Some of the JCTDP activities included community infrastructure, land and rural water management, community-based forest management, livestock production, rural microfinance, health and nutrition services and the development of a crop research programme. This created complications for implementation, coordination, monitoring, supervision and evaluation, and synergies across activities were limited. The situation was exacerbated by the states' relatively frail institutional capacities.

36. Moreover, programme design did not adequately factor in the conflict dimension prevailing in the states and the implications for implementation. For example, one reason for the programme's limited success was the high turnover of project directors and other key staff, who found it very challenging to work in remote rural areas affected by violence and were provided unattractive compensation packages.

37. With regard to effectiveness, the JCTDP had reached 86,888 households at the time of closure, as compared to 86,000 expected at design. However, the coverage of households involved in SHGs remains low after programme completion. In fact, the results of the PSM analysis show that at the time of the evaluation, against an overall target at design of 70 per cent, only 53 per cent and 43 per cent of the beneficiaries in the treatment group of Jharkhand and Chhattisgarh were found to be participating in SHGs (see table 9 in the main report). Nevertheless, these
percentages are higher in the treatment groups in both states than in the comparison groups.

38. The programme had positive results in terms of community mobilization and empowerment and microfinance development. It established a range of village institutions such as SHGs, but did not do enough to ensure they could be federated into well-functioning apex organizations that would have provided them more leverage in establishing linkages with markets and formal financial institutions. The programme managed to establish land and water structures, arrange on-farm activities, and organize various types of technical and awareness training. At the same time, however, it only partially achieved its development objectives. This is partly because it was not successful in promoting diversification of crops and the economic base of the rural poor, and partly because its targeting approach and development interventions only differentiated between tribal people and others, without paying adequate attention to designing activities that took into account the heterogeneity of these different groups.

39. The programme’s cost per household and cost per SHG were low, which is a positive factor. However, JCTDP’s efficiency was weak on the whole, largely due to the high proportion of costs absorbed by programme management (20 per cent of total costs), the long lapse between approval and first disbursement, delays in implementation causing enhanced administrative costs for IFAD, and untimely flow of funds especially in the first four to five years of implementation (see chart 1 on loan disbursements in the main report). The latter also resulted in the ultimate cancellation of a portion of IFAD’s loan. All in all, the impact evaluation concludes that JCTDP relevance and effectiveness were moderately satisfactory, whereas its efficiency was moderately unsatisfactory.

40. **Rural poverty impact.** The evaluation finds that the programme had a positive impact on the target group, although the magnitude of the impact was rather limited.

41. By the end of the programme, fewer people in the target group were living below the poverty line (US$1.25), as compared to those without programme support. Similarly, members of the target group had higher monthly incomes (by US$6.49 in Jharkhand and US$5.22 in Chhattisgarh), and their paddy production and productivity were also higher. The evaluation finds these differences to be statistically significant. With regard to financial assets, the evaluation found that SHGs are active mainly for small savings and credits in the treatment area.

42. Based on a standard of living index (SLI), which is an aggregated score of 33 household assets and housing characteristics, the evaluation found that ownership of assets at the household level was slightly better in the treatment group. This reflects the fact that the treatment group has better income levels than the non-beneficiary group. Moreover, the impact survey found that 27 per cent of households perceived an improvement in access to water sources over the programme period, as compared to 24.1 per cent in the non-treatment areas.

43. The evaluation used food consumption score (FCS) as a key indicator to measure food security. FCS captures diet diversity as well as the frequency of consumption of different food types over a reference period. Table 27 in the main report reflects the distribution of households across different food consumption categories based on the consumption pattern, showing a marginally better food security situation in the treatment areas.

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9 See table 16 in the main report.
10 See table 18 in the main report.
11 The FCS is a frequency-weighted diet diversity score calculated using the frequency of consumption of different food groups consumed by a household for a recall period of seven days. The food items are categorized into nine main food groups: cereals; starchy tubers and roots; legumes and nuts; meat, fish, poultry and eggs; vegetables (including green leaves); fruit; oils and fats; milk and dairy products; and sugar or sweets. Based on FCS, a community can be divided into three categories, namely poor FCS, borderline FCS and adequate FCS.
44. The programme did not achieve much in terms of promoting tribal rights (e.g. relation to access to land) or awareness of key government schemes and relevant entitlements. Nutritional assessment of children under five years of age shows little variation between treatment and comparison areas. And, in spite of good achievements in grass-roots institution-building, SHGs and other common-interest groups were not effectively and sustainably linked to the local governance framework. The JCTDP did not open up opportunities for value-added production or ensure greater access to input or output markets, as also mentioned previously.

45. All in all, taking into account the difference between the treatment group and the comparison group, especially in terms of household income and assets, SLI, human and social capital, and empowerment, the impact evaluation concludes that the overall rural poverty impact of the JCTDP was moderately satisfactory (4). The full analysis of the evaluation of the programme’s impact is provided in section VI of the main report.

46. **Sustainability** remains a challenge and there are several reasons for this. First and foremost, the JCTDP did not develop an exit strategy, which would have helped clarify the roles and responsibilities of different institutions and actors in ensuring beneficiaries received the necessary inputs and services after programme completion. Operation and maintenance of the rural infrastructure, land and assets developed by the programme were not assured. Many of the village committees and SHGs established under the JCTDP are no longer fully active. While the evaluation found that tribal people and others had been empowered on an individual level, insufficient attention had been devoted to developing collective social capital that would have enabled them to voice their priorities effectively in future decision-making and resource allocation processes. Convergence with major national agriculture and rural development programmes operational in the two states was also not pursued. Therefore, the evaluation concludes that the sustainability of the programme’s benefits is moderately unsatisfactory.

47. **Innovation and scaling up.** The JCTDP promoted some innovations, in both the technical and the institutional arenas. The creation of tribal development societies was an interesting idea aimed at ensuring speedy implementation. These societies faced several challenges, including inadequate knowledge and understanding of IFAD policies and processes, and lack of continuity in staffing. The two societies established at the state level and the district-level societies also made little effort to learn from each other and exchange experiences. The programme promoted some technical innovations. For instance, Chhattisgarh introduced a process to extract carbon credit under a clean development mechanism, and other initiatives included the use of solar energy and promotion of biogas, but these had a very limited outreach. In terms of scaling up, IFAD has now funded a further, similar programme in Jharkhand; but on the whole, the evaluation did not find evidence that IFAD took a proactive approach to identifying pathways for scaling up some of the positive features of the programme. The impact evaluation concludes that moderately satisfactory results have been achieved in the promotion of innovation and scaling up.

48. **Gender equality and women’s empowerment.** The programme made useful contributions to promoting gender equality and women's empowerment. The evaluation used a women’s empowerment score based on three interrelated indicators, namely: (i) autonomy and authority in decision-making, with respect to the financial and intra-household decision-making process; (ii) group membership in village-level institutions and leadership; and (iii) comfort in raising their voice against social and domestic issues. In both states, the women's empowerment scores are better in the treatment areas, than for the groups that did not benefit from the programme (see table 35 in the main report).
49. Other indicators used in the evaluation also show some positive achievements, such as better incomes among women-headed households in treatment areas. For instance, even though the size of the sub-sample is small and therefore the results provide only an indication of impact, the monthly income of households headed by a woman in Jharkhand is US$31 in the treatment group, as compared to US$18 in the comparison group, while in Chhattisgarh the figures are US$20 and US$16 respectively.

50. At the same time, the programme did not have a gender strategy and insufficient attention was paid to training men to sensitize them towards broader issues of the relationship between men and women, and the transformational role women can play in broader social and economic development activities. More attention could have been devoted to easing women's workloads by providing water for domestic use and reducing the use of fuelwood for cooking. And, despite the enhancement of personal savings and income levels due to the diversification of income-generating activities, women remain among the poorest and most disadvantaged in the community. In conclusion, impact in this area has been moderately satisfactory.

51. **Partner performance.** IFAD's supervision and implementation support and the midterm review were generally of good quality, though the Fund could have intervened more proactively at critical times during implementation to address bottlenecks, for example with regard to the flow of funds, which hampered implementation. It could have made the necessary adjustments to the programme design, once it became clear that the relatively large United Kingdom Department for International Development (DFID) grant (agreed at design) would not materialize. IFAD could also have made more efforts to develop linkages with concerned technical ministries at the central level, promoting greater convergence of the JCTDP with domestic development interventions.

52. The Ministry of Finance took an active interest in the JCTDP and stepped in at key moments, in line with its overall remit. The state governments played an essential role through the establishment of the TDSs. However, the programme suffered from loss of time and leadership during the formation of the new state governments. Furthermore, the irregular flow of funds from Chhattisgarh and inadequate flow of funds from Jharkhand to the programme was an area of concern that affected the pace of implementation. Both IFAD and government performance is assessed as moderately satisfactory.

53. **Monitoring and evaluation.** The programme faced several challenges in this area. Though baseline surveys were conducted, their quality was weak. The JCTDP’s logical framework was poor and it was not used by programme management as a tool to monitor or manage for results. Efforts were mostly focused on monitoring outputs, with less attention paid to assessing outcomes, and RIMS data was also not properly captured or analysed. The competencies and limited experience of monitoring and evaluation (M&E) personnel also affected performance. And, finally, though the programme undertook some studies during implementation, the evaluation component of the M&E system was not sufficiently used for learning and continuous improvement.

**Conclusions**

54. Notwithstanding its impressive growth and development, India still has the largest number of poor people in the world, with around 300 million living on less than US$1.25 a day in purchasing power parity. This represents around 25 per cent of the total population and implies that one in every four Indians still struggles to make ends meet. Inequality remains widespread and is therefore a major concern for development workers and policymakers. Against this backdrop, the Executive Board decided to fund the JCTDP in 1999, focusing on the development of tribal people and other disadvantaged groups, who remain among the poorest and most vulnerable segments of the population.
55. Therefore, the decision by IFAD to finance the JCTDP was appropriate, timely and consistent with the Fund’s mandate, especially taking into account that the two states involved have high proportions of tribal people and scheduled castes. This decision is further supported by the fact that IFAD has developed a well-recognized comparative advantage, specialization and track record in supporting tribal development in the country, as illustrated by three relatively successful predecessor projects with a similar focus (two in Andhra Pradesh and one in Odisha) financed before the JCTDP, and several others subsequently.

56. The programme met some of its objectives in terms of women’s empowerment, enhancements in paddy production and productivity, and grass-roots institution-building. However, the programme had a complex design covering two states and numerous subsector activities and did not have the expected impact on incomes, promoting linkages to markets, or convergence with major national programmes and policies, which are essential to foster inclusive and sustainable rural transformation in the wider sense. This suggests that the programme design did not adequately consider the prevailing institutional capacities in the two states to ensure successful outcomes.

57. In sum, on the whole, the JCTDP could have achieved more. Limited results are also partly attributable to the challenges faced by the two newly established states, which were – and remain – fragile due to ongoing insurgency movements. IFAD on its part could also have stepped up more energetically, especially at the programme outset, to ensure the timely flow of funds required for adequate implementation. However, the Fund financed a successor programme in 2012 in Jharkhand, the Jharkhand Tribal Empowerment and Livelihoods Project, which offers a renewed possibility to consolidate and build on some of the initial achievements of JCTDP, at least in one of the two states covered by the programme. All in all, the programme is considered moderately satisfactory, which is similar to the assessment of this operation made by IFAD Management.

Recommendations

58. The impact evaluation makes the following four recommendations:

(i) **Design for context.** All project designs should include a thorough poverty and institutional analysis, to ensure that objectives and design are commensurate with state-level capacities, systems and processes to ensure timely delivery and better impact. This will also assist in determining adequate targeting approaches to carefully differentiate between diverse poor social groups. For projects designed in fragile situations, a fragility analysis should also be standard practice at design. Moreover, projects should be exposed to continuous adjustments in design, taking into account changing context or the introduction of any pertinent new operational corporate policy in IFAD to ensure their continued relevance. This should especially be done for projects that have not yet crossed the midpoint of their implementation period. Finally, projects covering two states under one loan should no longer be financed, unless there is a clear strategy for their integration and cross-fertilization of lessons, and unless enhanced budgets are allocated for supervision and implementation support.

(ii) **Convergence with government programmes.** It is recommended that all projects clarify how they are aligned with key national and state-level programmes in the agriculture and rural sectors, such as the National Rural Livelihoods Mission. This is essential to ensure sustainability and can also provide an opportunity for scaling up after the completion of IFAD-financed operations. The quest for better convergence, sustainability and scaling up will also require that projects implemented at the state level ensure that concerned technical ministries at the central level participate in their design, and are involved in an appropriate manner throughout implementation.
(iii) **Sustainability strategy.** All IFAD-financed projects should be designed in such a way as to ensure sustainability of benefits. In this regard, all projects in India and elsewhere should stipulate in their financing agreements that an exit strategy will be developed well before project closure, agreed upon by IFAD and the relevant government. Such a strategy should clarify the roles and responsibilities of national and state governments, IFAD, communities, and other relevant partners. The strategy should also clarify how any needed recurrent costs will be met, to ensure that operations and maintenance, especially of public goods created during the investment phase, are ensured.

(iv) **Monitoring and evaluation.** It is important that all IFAD-supported projects are designed based on a theory of change to ensure better outcomes and facilitate M&E activities. Projects should undertake baseline surveys as early as possible, and such surveys should include properly selected control/comparison groups. The Strategic Planning and Impact Assessment Division should be involved in the design of such surveys, by having a chance to comment on their terms of reference. The terms of reference for a member of supervision missions should explicitly include a comprehensive review of M&E systems and activities and the provision of recommendations to improve them, as needed. The project completion report should be prepared in line with IFAD guidelines and the quality of the report should be exposed to a systematic peer review within the Programme Management Department (PMD). A representative of the front office of PMD should be included in such peer review processes. The logical framework should be used more proactively as a basis for ongoing monitoring of achievements, and for introducing any adjustments for better effectiveness.