



Australian Government
AusAID

Quality at Entry Report and Next Steps to Complete Design for Strengthening Partnerships and Resilience of Communities (SPARC)

A: AidWorks details <i>completed by Activity Manager</i>			
Initiative Name:			
AidWorks ID:		Total Amount:	AUD\$7,728,649
Start Date:		End Date:	31 August 2016
1 September 2011			

B: Appraisal Peer Review meeting details <i>completed by Activity Manager</i>	
Initial ratings prepared by:	Tamsin Coryn-Wyllie (Program Officer, Burma Unit), with input from Jillian Ray (Second Secretary Development Assistance, Rangoon Post)
Meeting date:	20 May 2011
Chair:	Chris Elstoft ADG Mekong, Philippines, Burma and Regional
Peer reviewers providing formal comment & ratings:	– Julie Elliot, Program Quality and Performance Manager, Philippines and Burma Section
Independent Appraiser:	– Bernie Wyler, Social Protection Adviser
Other peer review participants:	<ul style="list-style-type: none"> - Sue Nelson, Burma Country Program Manager - Jillian Ray Second Secretary (Development Assistance) Rangoon - Laurence McCulloch, PEP - Christina Landsberg, Fragility and Conflict - Michael Newman, Fragility and Conflict - Bernie Pearce, Gender Adviser

C: Safeguards and Commitments <i>(new!) completed by Activity Manager</i>		
<i>Answer the following questions relevant to potential impacts of the activity.</i>		
1. Environment	Have the environmental marker questions been answered and adequately addressed by the design document in line with legal requirements under the <i>Environmental Protection and Biodiversity Conservation Act</i> ?	Yes
2. Child Protection	Does the design meet the requirements of AusAID's Child Protection Policy?	Yes
3. Imprest Account	Does the business case and risk assessment support the use of an imprest account as the most efficient, effective and ethical use of Commonwealth funds in accordance with the Commonwealth Financial Framework and AusAID policy?	N/a

D: Initiative/Activity description <i>completed by Activity Manager (no more than 300 words per cell)</i>
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4. Description	<p>Strengthening Partnerships and Resilience of Communities (SPARC)</p> <p>CARE has requested AUD\$7,728,649 over a five year period to address livelihood securities of vulnerable households in northern Rakhine State (NRS) through integrated activities targeted at improving food security and economic opportunities. By working with local partners CARE intends to strengthen community-based structures with improved technical support and to scale up successful initiatives from their previous AusAID funded project the <i>Rakhine Rural Household Livelihood Support Project (RRHLSP)</i> such as the establishment of Community Forestry plots, while placing greater emphasis on women's empowerment and community based disaster risk management activities to improve rural livelihoods. The SPARC project is designed to include active participation of community members for subsequent ownership of project achievements that contribute to the improvement of their social and economic position.</p> <p>The SPARC project plans to operate in 105 villages in Maungdaw and Buthidaung townships, targeting approximately 9,500 poor, vulnerable households (61,750 people).</p>
5. Objectives Summary	<p>Goal: To contribute to the sustainable reduction of poverty in poor, vulnerable communities in Burma.</p> <p>Purpose: To improve the social and economic position of poor, vulnerable households in northern Rakhine State, and strengthen household and community capacity to independently sustain such improvements.</p> <p>Strategic Objective 1 (Human Condition) To enhance the livelihood security of poor, vulnerable households by improving access to and utilisation of resources, markets and appropriate technologies.</p> <p>Strategic Objective 2 (Enabling Environment) To strengthen the technical operational and management capacity of targeted community groups, local partners and service providers.</p> <p>Strategic Objective 3 (Social Position) To enhance the social position of poor, vulnerable households by building their capacity to represent their own interests in community decision-making and development initiatives.</p> <p>Cross Cutting Objective 4: (Performance Management) To promote and practise effective monitoring, learning and evaluation.</p>

E: Quality Assessment and Rating <i>(no more than 300 words per cell)</i>			
<i>completed by Activity Manager after agreement at the Appraisal Peer Review meeting</i>			
Criteria	Assessment	Rating (1-6) *	Required Action (if needed)
1. Relevance	<p>SPARC is highly relevant to the needs of the NRS context and Australia's aid policy for Burma. It aligns closely with the priorities of AusAID's strategic approach and contributes to 3 of the 4 priority areas (education, food security & livelihoods) for one of Burma's most vulnerable regions. It also lines up well with AusAID's approach to Food Security through Rural Development, especially pillar 3 Building Community Resiliency.</p> <p>NRS is a geographic priority area for Australia's program in Burma and our ongoing presence there was committed to in February 2010 by the then Minister for Foreign Affairs.</p> <p>SPARC builds on a successful previous intervention by CARE but addresses continuing need and in particular will help ensure success of the community forestry initiative, where groups established under the previous project require further support to be sustainable. SPARC's approach is consistent with AusAID's move from a humanitarian to a more developmental aid approach, whilst still, appropriately, being largely a response to humanitarian needs. CARE's 10 + years of experience in NRS implementing similar programs makes it a relevant manager for this project.</p>	6	

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2. Analysis and Learning	<p>Sound analysis of the social, political and cultural context of NRS is provided in the design and a thorough knowledge of the factors influencing poverty in NRS is demonstrated.</p>	5	<p>Request that CARE provide a mechanism for AusAID to respond to the results of the final evaluation of RRHLSP and for the SPARC design to be amended to be altered if necessary.</p>
	<p>The proposal includes extensive analysis of the situation in Burma and NRS and lessons drawn from CARE's previous project experience there and elsewhere in Burma and globally. The proposal frankly acknowledges what did not work, or work well under the previous project and has developed a revised approach based on this experience. The proposal is a good example of constructively applying learning and drawing on CARE's broader experience of effective solutions, e.g. replacing the unsuccessful Savings Mobilisation and Income Group approach with Village Savings and Loans Associations.</p>		
	<p>The proposal would have been strengthened with more result information from CARE's previous 10 years of project experience in NRS. Recognising CARE's long presence in the area there also could have been more information on the local economic environment and market development opportunities. The assumption behind the market chain and some of the self-help group work is that there are viable markets that beneficiaries can exploit. Of course the market assessments will generate this information, but it also directly relates to the sustainability of the project interventions, and could better inform that section of the proposal.</p>		
	<p>The final evaluation of CARE's previous livelihoods project in NRS (RRHLSP) has not yet been conducted. Having this information is important and relevant to the design of SPARC.</p>		
	<p>The cross cutting issues of gender and child protection are adequately addressed in the design. Disability should be integrated into the vulnerability assessment mechanisms rather than mentioned as a stand alone consideration. Anti-corruption is not specifically addressed.</p>		<p>Request that CARE mainstream disability into vulnerability assessments. Request that CARE address anti-corruption measures as a distinct section under 5.6 of the design document.</p>

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3. Effectiveness	<p>The role of contextual constraints such as access, cultural factors, and adverse climatic conditions are indicated as possibly impacting on SPARC's effectiveness. The design recognises these constraints and puts in place mechanisms to monitor and mitigate the impact of these factors.</p> <p>There is a concern that CARE does not demonstrate adequate coordination with other development actors, particularly overlooking the significant role of the UN in NRS. Advocacy work needs to be coordinated with wider advocacy initiatives in NRS. SPARC's education components appear similar to those delivered by UNICEF in NRS. CARE needs to articulate how its activities align with (and don't duplicate or undermine) those of UNICEF. Similarly, CARE needs to articulate how its activities are coordinated with those of UNDP, particularly in terms of vulnerability assessment and governance.</p> <p>Partners identified appear appropriate for achieving project objectives. The role of Swe Tha Har Social Services and other local non-government organisations in relation to project implementing committees and the implementation team, however, needs further clarification.</p> <p>Whilst it is positive that CARE's design is results focused, it is not always clear <i>how</i> results will be achieved.</p> <p>Very little detail is included regarding Community Services Centres – how is access ensured? How is community ownership practically encouraged? How are risks of interference/cooption by the authorities mitigated? What activities specifically will be run from the centres?</p> <p>On page 30 the proposal states that CARE will provide technical assistance for self-help groups inter alia to access credit through the village savings and loans associations. The proposal could clarify how self-help group members will access credit, whether by becoming village savings and loans associations members (I assume this is what is meant) or some other mechanism, which may be problematic.</p> <p>Inclusion of both Rohingya and Rakhine populations is strongly welcomed and should minimise the potential for pockets of exclusion or 'aid orphans', which could act as conflict triggers.</p> <p>The Team Composition does not currently identify peacebuilding as a key area of required expertise. Given the complexity of the project operating environment, there may be merit in identifying peacebuilding as a preferred skill or provided by CARE Australia centrally.</p> <p>The risk management matrix (Annex 8 of the PDD) appears adequate.</p>
4	<p>Ongoing monitoring of contextual constraints and their impacts.</p> <p>Request that CARE demonstrate how their work is coordinated with other development actors in NRS, in particular request further information on coordination with UNHCR, UNICEF, UNDP the EC and so on.</p> <p>CARE to provide further information.</p> <p>CARE to provide further detail in regards to how results will be achieved through the revised M&E framework.</p> <p>Request more detail from CARE in regards to questions indicated.</p> <p>Request CARE clarify as per comment opposite.</p> <p>Ensure that further detail on how Rohingya and Rakhine participants are selected is included in project documentation, and detail on how potential Rohingya / Rakhine tensions will be managed and resolved.</p>

E: Quality Assessment and Rating *(no more than 300 words per cell)**completed by Activity Manager after agreement at the Appraisal Peer Review meeting*

4. Efficiency	<p>As a livelihoods project in a difficult environment with limited civil society actors, the relatively high proportion of costs going to personnel and support (app. 50%, and actual delivery cost will likely be higher when including activity costs) are typical for this kind of program, and justified in the context. The expected unit cost per beneficiary household (app \$820) compares favourably with the unit costs of other large livelihoods program working in very difficult contexts with the extreme poor (e.g. Chars Livelihood Program Bangladesh). CARE's livelihoods approach and its administrative and financial systems have a good track record and are considered sound and reliable.</p> <p>Risks are thoroughly identified with associated mitigation strategies. It would be good to see the risk matrix updated at the mid-term review.</p> <p>One question for AusAID on value for money relates to the sole sourcing of CARE for this initiative, and why the program was not competitively tendered. Reference Minute of 3 May 2011 (Attached) which outlines rationale for direct sourcing of CARE for this activity.</p> <p>Further detail is required on each line item in the budget. Also, the budget would benefit from a consistent approach to costing via inputs, not via a combination of both inputs and outputs as is currently the case.</p> <p>It is not clear if the staffing positions detailed in the design document are dedicated project resources or whether some staff members are also working on other projects. It is also not clear what percentage of each worker's salary is funded through SPARC.</p> <p>CARE has indicated that it will bring in technical expertise around gender, partnerships and education. Financial services expertise is overlooked in this equation. Financial services expertise is particularly necessary given CARE's own apparent technical limitations in this area (AusAID had concerns with the financial services component of previous draft of the SPARC PDD and by the poor performance of financial services activities under the RRHLSP project)</p> <p>Project effectiveness is heavily reliant on having sufficient numbers of high quality Community Facilitators who are based in NRS. Unsure whether 8 Community Facilitators is a sufficient number for a project with this number of activities and diverse locations?</p>	5	<p>Recommend that CARE revise the budget to include more detail. Also revise to contain input costs only not a mixture of inputs and outputs.</p> <p>Recommend that CARE provide a more detailed breakdown of individual position costs, % of FTE funded through SPARC and % of role dedicated to SPARC.</p> <p>Suggest CARE include a financial services expert in the staffing profile.</p> <p>Stress to CARE AusAID's focus on the quality of Community Facilitators in this project.</p>
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E: Quality Assessment and Rating <i>(no more than 300 words per cell)</i> <i>completed by Activity Manager after agreement at the Appraisal Peer Review meeting</i>			
5. Monitoring and Evaluation	<p>Although good intentions for performance management are indicated by the cross-cutting objective, the description of the M&E plan lacks coherence and clear direction. A clear theory of change is not articulated.</p> <p>The M&E framework appears overly complicated and somewhat piecemeal. Including both a logframe and an M&E matrix is duplicative at times. The PDD mentions the use of Outcome Mapping and participatory M&E but detail of these approaches is not clearly discernable in the log-frame, M&E matrix or PDD.</p> <p>There is a lack of "precision" as to what a number of the program activities (Outputs and sub outputs) will achieve in terms of the beneficiaries or overall "outcomes".</p> <p>Output 1.4 comprises 2 sub activities – Village development grants (VDGs) and the Savings/loan scheme presumably across the 105 villages identified in Table 1 (p22). However, the funding for Output 1.4 is very low (\$25,776) suggesting that the number and/or level of grants will be very small. Some further clarification of the likely number (and "average" cost) of VDGs should be provided.</p> <p>Output 2.1 and 2.2 are essentially capacity building activities budgeted at ca \$880,000 but there is little detail on how the outcomes will be achieved and there does not appear to be any direct performance measures (Annex 4) to "measure" these 2 outputs.</p> <p>Given Objective 4 and the complexity of this project, CARE will need to ensure access to appropriate technical expertise for the (i) design of the M&E framework (ii) implementation including the coordination of the various data collection, analysis and reporting processes; and (iii) assessment of the outputs under objective 4, including the piloting of the Outcome Mapping approach to M&E.</p> <p>Section 5.4 also states that in addition to a 'log-frame based M&E plan' the Outcome Mapping approach will be piloted as part of a broader initiative to improve CARE's M&E in Burma. This suggests that that the limitations of the log frame approach have been recognised for a project of this complexity (the number of outputs contributing to the achievement of the three strategic objectives, the theory of change, the large geographic coverage and number of people involved in the project activities, and the potential political, social and climate risk to implementation). Annex 3 (the logical framework) and Annex 4 (The log-frame based M&E matrix) demonstrate the limitations of this approach and add little value. In particular, the indicators are not representative of the change process and the contribution of the different activities.</p> <p>Given the challenges and complexity of delivering projects of this kind in fragile and conflict affected areas, there may be a need for increased frequency of monitoring and evaluation, especially during the inception of the project. The proposed bi-annual community self-evaluations could be expanded to include more regular informal evaluations. Any increase in M&E activities would need to be reflected in the budget (noting that the current allocation of 1.5% for M&E is relatively low for a fragile context).</p> <p>The M&E framework includes collection of sex-disaggregated data as required by AusAID.</p>	3	<p>CARE to revise M&E framework.</p> <p>AusAID to approve finalised M&E framework prior to agreeing to fund the project.</p> <p>Increase frequency of (non-formal) monitoring and evaluations that will contribute to the bi-annual community self-evaluations</p>

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6. Sustainability	<p>CARE notes that sustainability in the context of NRS is challenging and indicates a range of sound reasons for this. Similarly AusAID views operations in NRS as largely humanitarian in nature, and acknowledges that opportunities for sustainability are limited.</p> <p>The proposal's strategy to strengthen community organisations, identify and work with partners and seek market-based income generating opportunities all contribute to the likelihood that activities will be sustained. However there is a fundamental question on how services provided through the project will be maintained (or need to be maintained) and by whom at its conclusion. Given that CARE has been implementing similar activities in this area for the past 10 years, it is not fully evident that the need for its support will cease in 5 years. Although the proposal points out that recurrent costs will be minimal, this overlooks the very significant costs of delivering the project. The sustainability section would be strengthened by addressing this point and suggesting who or how costs and services will be maintained after the project is concluded. This could be also be covered in explicitly developing an exit strategy, possibly at the mid-term. If given the context on-going support will be needed, this could be addressed more directly in the sustainability section.</p> <p>The market chain assessment could take a slightly broader approach to look at the range of opportunities and constraints to agriculture and forestry products to include markets around services and inputs, and offer opportunities for identifying and attracting other service providers following the project's conclusion. This would also help address sustainability. A good example is the INGO, IDE's, (now Proximity Designs) development of a market intervention around low cost water pumps and the supply chain that delivers pumps and technical advice to the village level, which led to a crowding-in of suppliers and agents.</p> <p>Issues of environmental degradation are addressed by the project and sustainable environmental management is encouraged through capacity building of local communities.</p>	4	CARE to provide information on techniques to promote sustainability, including concrete examples and information regarding an exit strategy or other plans at conclusion of the project.

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<p>7. Gender Equality</p>	<p>The proposal has a very strong approach to gender equality, demanded by the extreme disadvantage women, particularly Rohingya women, are subject to in NRS. Gender issues are mainstreamed throughout the proposal, backed up by strong analysis of the gender situation in NRS and addressed through each of the project components. Women's empowerment is addressed across a number of activities including through community-based groups, service centres for training/education, and girls' education. The logframe includes key specific indicators for measuring changes in gender relations and women's empowerment, and the project will be supported by a dedicated gender program officer and technical advisor, and linked to a separate women's empowerment project.</p> <p>The proposal includes substantial information about strategies and mechanisms utilised to promote female empowerment and will be implemented alongside a Norwegian Agency for Development Cooperation (NORAD) funded women's empowerment project. It is not clear however what the links are between the NORAD funded project and SPARC.</p> <p>The proposed analysis of Islamic practises in NRS to better understand women's roles will assist, but should be noted that this analysis will exclude 20% of the non-Islamic population (p46). There may be a need to undertake similar research amongst the non-Rohingya community if it has not already been undertaken.</p> <p>The M&E framework includes gender equality indicators and the collection of sex-disaggregated data as required.</p> <p>The staff plan includes bringing in gender technical expertise which is positive. Ongoing gender equality capacity building activities are planned for the project team. It is not clear if gender equality capacity building will extend to other project partners or whether gender parity in project implementation team has been considered.</p> <p>The proposal indicates a gender mainstreaming strategy will be developed (although when is not indicated in the implementation plan in annex 7) and will be informed by cultural analysis.</p>	5	<p>Suggest that CARE replicate Islamic practises analysis to understand cultural context of gender relations in non-Islamic communities and households.</p> <p>Seek clarification from CARE on the comment opposite.</p> <p>AusAID to approve gender mainstreaming strategy.</p>
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*** Definitions of the Rating Scale:**


Satisfactory (4, 5 and 6)		Less than satisfactory (1, 2 and 3)	
6	Very high quality; needs ongoing management & monitoring only	3	Less than adequate quality; needs to be improved in core areas
5	Good quality; needs minor work to improve in some areas	2	Poor quality; needs major work to improve
4	Adequate quality; needs some work to improve	1	Very poor quality; needs major overhaul

E: Next Steps *completed by Activity Manager after agreement at the Appraisal Peer Review meeting*

Provide information on all steps required to finalise the design based on <i>Required Actions</i> in "C" above, and additional actions identified in the peer review meeting	Who is responsible	Date to be done
1. Provide revised monitoring and evaluation framework which demonstrates clear theory of change and addresses other concerns raised above in Table E.	CARE	11 July 2011
2. Explain how sustainability will be addressed in more detail, providing concrete examples and including plans for end of project.	CARE	11 July 2011
3. Provide coordination plan detailing how CARE will work with/alongside other development actors operating in NRS.	CARE	11 July 2011

E: Next Steps <i>completed by Activity Manager after agreement at the Appraisal Peer Review meeting</i>		
4. Provide more detailed staffing profile.	CARE	11 July 2011
5. Provide more detailed budget.	CARE	11 July 2011
6. Provide information on how the project will align with the activities and outcomes of the Livelihoods and Food Security Trust Fund (LIFT)	CARE	11 July 2011
7. Provide information in response to all additional minor queries identified above in Table E, detailing strategies for addressing any concerns and providing timelines for doing so.	CARE	11 July 2011
8. Consolidate AusAID's position in regards to sustainability in northern Rakhine State.	AusAID Burma Desk	As part of CSA process, due late 2011.
9. AusAID needs to think of SPARC as an Australian project, rather than simply as a CARE project. AusAID needs to work with CARE as an active partner.	AusAID Burma Desk	Ongoing

F: Other comments or issues <i>completed by Activity Manager after agreement at the APR meeting</i>
<ul style="list-style-type: none"> • AusAID will provide written guidance to CARE on the changes that need to be made and will work closely with CARE to facilitate revisions to the design document. • The revised design document will be circulated to peer reviewers so that they can provide an assessment of the suitability of the revised design. A second formal peer review is not planned. • AusAID's decision to fund the project is contingent on CARE addressing the above concerns to AusAID's satisfaction.

F: Approval <i>completed by ADG or Minister-Counsellor who chaired the peer review meeting</i>		
On the basis of the final agreed Quality Rating assessment (C) and Next Steps (D) above:		
<input checked="" type="checkbox"/> QAE REPORT IS APPROVED , and authorization given to proceed to: <ul style="list-style-type: none"> <input checked="" type="radio"/> FINALISE the design incorporating actions above, and proceed to implementation or: <input type="radio"/> REDESIGN and resubmit for appraisal peer review 		
<input type="checkbox"/> NOT APPROVED for the following reason(s): _____ _____ _____		
Chris Elstoft	signed: 	date: 18/6/11