

Country Name	The Project on Rural Livelihood Improvement in Hambantota District (SouthCAP)
Democratic Socialist Republic of Sri Lanka	

**I. Project Outline**

Background	<p>Hambantota District in the Southern Province with 430,000 populations was one of the poorest regions in Sri Lanka. Major source of income for the population was agriculture; however, agriculture was not satisfactorily contributing to local economy mainly due to small amount of rainfall. Also the issue of income generation in that region was thought to be attributed to lack of infrastructure; instability of market prices; unfair profit making activities of middlemen; and so forth. In order to promote livelihood improvement in such backward areas of the country, the Government of Sri Lanka developed and introduced a participatory rural development approach featuring Community Action Planning (CAP)<sup>(Note1)</sup> and Community Contract System (CCS)<sup>(Note2)</sup> since the 1980s. However, this approach had not been utilized in the Southern Province due to lack of Community Based Organizations (CBOs) and insufficient capacity of government officers.</p> <p>Note 1: Community Action Planning (CAP) is a locally initiated and directed planning process, through which community people are encouraged to identify problems, plan, and monitor and evaluate their own activities. CAP was firstly introduced by National Housing Development Authority (NHDA) in the 1980s.</p> <p>Note 2: Community Contract System (CCS) is a mechanism whereby grassroots communities undertake construction contracts from the government for the development of small-scale infrastructures of the communities. CCS was also initially introduced by Habitat Million Housing Project of UN as an effective alternative to non-efficient and unsatisfactory services of commercial contractors in small-scale infrastructure improvement projects in the 1980s.</p> <p>Note 3: Community Based Organization (CBO) means villagers organizations.</p>												
Objectives of the Project	<p>1. Overall Goal: Income and livelihood of the people in areas within Hambantota and Southern Province will be improved by introducing the Community Approach Programme for participatory rural development, which is acknowledged by stakeholders through this Project.</p> <p>2. Project Purpose: The existing system and structure for the participatory rural development will be functioning through effective use of institutions and practices (e.g. CAP and CCS), aiming at improving income and livelihood of the people in the Project area.</p>												
Activities of the project	<p>1. Project site: 8 Grama Niladhari (GN) Divisions (villages), Hambantota District, Southern Province</p> <p>2. Main activities:</p> <p>(i) Training to villagers and field level officials of related governmental organizations on how to prepare CAPs (ii) Establishment of the Divisional Coordination Committees (DCC), (iii) training to villagers and members of CBOs on construction and management of infrastructure works, and (iv) Provision of technical guidance to villagers on productive and reproductive activities.</p> <p>3. Inputs (to carry out above activities)</p> <table><tr><td>Japanese Side</td><td>Sri Lankan Side</td></tr><tr><td>1) Experts: 10 persons in 7 fields</td><td>1) Staff allocated: 7 persons plus 65 cooperating government staff members</td></tr><tr><td>2) Trainees received: 16 persons</td><td></td></tr><tr><td>3) Equipment: Office equipment such as PC, printer, telephone and copy machine, generator, motor cycle, etc.</td><td>2) Land and facilities: Land, building and facilities for project office, electricity, water, and telephone service</td></tr></table>					Japanese Side	Sri Lankan Side	1) Experts: 10 persons in 7 fields	1) Staff allocated: 7 persons plus 65 cooperating government staff members	2) Trainees received: 16 persons		3) Equipment: Office equipment such as PC, printer, telephone and copy machine, generator, motor cycle, etc.	2) Land and facilities: Land, building and facilities for project office, electricity, water, and telephone service
Japanese Side	Sri Lankan Side												
1) Experts: 10 persons in 7 fields	1) Staff allocated: 7 persons plus 65 cooperating government staff members												
2) Trainees received: 16 persons													
3) Equipment: Office equipment such as PC, printer, telephone and copy machine, generator, motor cycle, etc.	2) Land and facilities: Land, building and facilities for project office, electricity, water, and telephone service												
Ex-Ante Evaluation	2006	Project Period	March 2007 – March 2011	Project Cost	361 million yen								
Implementing Agency	Ministry of Local Government and Provincial Councils (MoLGPC) Southern Provincial Council (SPC)												
Cooperation Agency in Japan	Nippon Koei Co., Ltd.												

**II. Result of the Evaluation**

1 Relevance
<p>This project has been highly relevant with Sri Lankan development policy “rural development and poverty alleviation” as set in policy documents including, the Poverty Reduction Strategy Paper (PRSP) (2002), Economic Policy Framework established in 2004, and the 10 Years National Development Policy Framework “Mahinda Chintana” (2006-2016), and with development needs to promote livelihood improvement in the Southern Province through a participatory rural development approach at the time of both ex-ante and ex-post evaluation. It was also consistent with Japan’s Country Assistance Plan for Sri Lanka (2004) at the time of ex-ante evaluation. Therefore, relevance of this project is high.</p>
2 Effectiveness/Impact
<p>The project’s overall goal was to improve income and livelihoods of the people in areas within Hambantota and Southern Province by introducing a participatory rural development approach, that is, CAP approach <sup>(Note 4)</sup>. By enhancing capacity of villagers and members of CBOs as well as field level officials in the target 8 GN divisions (villages) in Hambantota District, the project aimed at development and implementation of the CAP approach in 8 GN divisions (Project purpose level). After the project completion, a dissemination of CAP approach to other GNs was expected as a result of continuation of rural</p>

development activities in the project areas and the activities of DCC <sup>(Note 5)</sup> and the Project Implementation Committee (PIC) <sup>(Note 6)</sup> (or an organization that would succeed its function such as DCC) on disseminating the experience and know-how of the approach (Overall goal level).

The project purpose was achieved at the time of project completion. The coordination mechanisms were introduced by the project to promote CAP approach. At the village level, the village meetings were organized in most of the target villages in order to discuss any issues in the villages such as cultivation and water management. At the field level, the public extension officers were assigned to promote information sharing and coordination between the villages and local governments. At the local government level, DCC in the three target divisions was setup to promote CAP approach. Out of 387 activities suggested in the formulated CAPs in the target 8 GN divisions, 224 activities actually were implemented during the project. Although no quantitative data was available, the interview survey conducted by the ex-post evaluation indicates that majority of PIC and CBOs members recognized the usefulness of CAPs as comprehensive development plans. All target eight GN divisions received external supports from foreign donors and NGOs to implement individual projects.

Those project effects have been sustained after the project completion to some extent. The infrastructures constructed during the project period such as irrigation systems have been operated and maintained without major problems after the project completion and the villagers have experienced tangible benefits in terms of income, better cultivation methods, and water management. The activities for agricultural production and non-agricultural production such as marketing have been implemented in the target villages after the project completion though the volume of products and areas of marketing are still needed to be explored. The coordination mechanisms introduced by the project to promote CAP approach remain functional. The task of PIC has been transferred to DCC.

As for the overall goal, it was confirmed that at least 576 CAPs were formulated in Hambantota District with the CAP approach reinforced by the project which had shortened participatory planning process such as workshop, and at least 576 CCS projects were implemented. The reinforced CAP approach may have contributed to facilitating planning of CCS projects through encouraged villagers' participation. Regarding other indicators of the overall goal, (i) proportion of households whose income increased in GN divisions by formulating CAPs in Hambantota District and (ii) proportion of CCS projects formulated and implemented by utilizing formulated CAPs, they were not able to be confirmed due to lack of quantitative data caused by poor monitoring system of Hambantota District.

However, there was intensive and large scale of dissemination and promotion of CAP and CCS process in Hambantota District and the project contributed to expedite the above process to some extent. While no statistical data was available to confirm whether 25% of households' income was increased in the target 8 GN divisions or not, based on the analysis of qualitative data, some of active and motivated households in the target villages increased their income through the production and sales of agricultural products such as mushroom and Palmyra basket products. According to the interview with the villagers of the target villages, the farmers are now able to save food for another season in case of drought because they could increase the agricultural production thanks to the improvement of small scale irrigation constructed by CCS projects. This helped the improvement of farmers' food security to some extent. Therefore, it can be assessed that a certain number of households either increased their income level or improved risk aversion capacity. There was no negative impact on natural environment. There was no land acquisition or involuntary resettlement.

While a number of positive impacts by the project were confirmed by the qualitative information mentioned above through the ex-post evaluation survey, the quantitative data to verify the indicators defined in PDM were not available. It is suggested that the project design including setting of indicators to verify achievement of the Project Purpose and the Overall Goal was not appropriate. Thus, it was difficult to firmly confirm the contribution of the project to the Project Purpose and the Overall Goal at the time of the ex-post evaluation. Therefore, effectiveness/ impact of the project is fair.

(Note 4) "CAP Approach" is defined as the participatory process of planning and management of rural development, utilizing methods of CAP as planning and management tool and CCS as a means to implement small-scale infrastructure project. While CAP already existed in Sri Lanka (not newly introduced concept by the project), the project strengthened this approach especially from perspectives of; (i) Community empowerment; (ii) Capacity building of government institutions; and (iii) Comprehensive approach aiming for livelihood improvement through combination of various activities such as small-scale infrastructure improvement, strengthening O&M system of infrastructure, improvement of agricultural productivity, improvement of household financial management, and improvement of household activities (e.g. rehabilitation/renewal of house).

(Note 5) In the project, Divisional Coordination Committees (DCC) were established in each level for coordination and information sharing among stakeholders: (i) JCC (Joint Coordination Committee) in central level, (ii) RCC (Regional Coordination Committee) in provincial and district level, and (iii) PIC (Project Implementation Committee) in divisional and village level.

(Note 6) PIC was newly established by the project in order to promote the information sharing and coordination regarding introducing CAP approach in a cross-sectoral manner between district, division and GN divisions.

#### Achievement of project purpose and overall goal

Aim	Indicators	Results
(Project purpose) The existing system and structure for the participatory rural development will be functioning through effective use of institutions and practices, aiming at improving income and	(Indicator1) More than 50% of the suggested activities in the formulated CAPs are implemented by the project or other development agencies (GOs and NGOs).	(Project Completion) Achieved. • More than 50% of the suggested activities were implemented (224 implemented activities against 387 suggested activities). Data was collected at the time of the terminal evaluation.
	(Indicator2) More than 50% of Project Implementation Committee (PIC) and CBOs members	(Ex-post Evaluation) N.A. • The data was not obtainable at the time of ex-post evaluation.  (Project Completion) Achieved. • Based on the analysis of qualitative data, this target was achieved to a large extent. Data was collected at the time of

livelihood of the people in the Project area.	recognize the usefulness of CAPs as comprehensive development plans.	the terminal evaluation.  (Ex-post Evaluation) N.A. • The data was not obtainable at the time of ex-post evaluation.
	(Indicator3) More than 5 target GN Divisions receive external supports to implement identified individual projects.	(Project Completion) Achieved. • All target eight GN Divisions received external support. Data was collected at the time of the terminal evaluation.  (Ex-post Evaluation) N.A. • The data was not obtainable at the time of ex-post evaluation.
	(Indicator4) 25% of households' income is increased in target 8 GN divisions.	(Project Completion) N.A. • No statistical data was available.  (Ex-post Evaluation) N.A. • No statistical data was available.
(Overall goal) Income and livelihood of the people in areas within Hambantota and Southern Province will be improved by introducing the CAP Approach Programme for participatory rural development, which is acknowledged by stakeholders through this Project.	(Indicator1) Proportion of households whose income increased in GN divisions by formulating CAPs in Hambantota District.	(Ex-post Evaluation) N.A. • No information
	(Indicator2) Number of GN Division who formulated CAPs in Hambantota District.	(Ex-post Evaluation) Achieved • All 576 GN divisions in Hambantota District formulated at least 576 CAPs.
	(Indicator 3) Proportion of CCS projects formulated and implemented from formulated CAPs.	(Ex-post Evaluation) N.A. • At least 576 CCS projects were formulated and implemented from 576 CAPs in Hambantota District. However, due to lack of quantitative data, it was difficult to confirm the proportion of CCS projects formulated and implemented from formulated CAPs in Hambantota District.

Source : Terminal Evaluation Report, Questionnaire and interviews with counterparts.

### 3 Efficiency

Although the project period was within the plan (ratio against the plan: 100%), project cost slightly exceeded the plan (ratio against the plan: 103%) due to (i) increase in number of Japanese experts from planned 8 to 10 experts and (ii) additional purchase of extra office equipment such as bikes for monitoring activities, internet LAN and scanner. Therefore, efficiency of this project is fair.

### 4 Sustainability

In the policy aspect, CAP approach has been promoted in Sri Lanka for many decades as a means of rural development and it is supported by the newly introduced Jana Sabha Act 2013. For example, programmes like "Divi Neguma" (Livelihood uplifting), and "Eka Gamakata Eka Wadak" (One project for one village), etc. use the approach.

Institutionally, Hambantota District Secretariat is responsible for monitoring and there are three divisional secretariats (Hambantota Division, Sooriyawewa Division, Lunugamwehera Division) allocated. The sufficient number of officers is assigned for promoting and facilitating of CAP approach in Hambantota District.

In the technical aspect, field level officials in divisional and district levels have appropriate skills and knowledge to continue CAP approach and they disseminate their experience and know-how of CAP approach to their colleagues and other officials. The training programs are conducted at divisional and district levels. The CAP Handbook and the O&M manuals developed by the project have been utilized in Hambantota District.

As for the financial aspect, regarding the financial capacity of Hambantota District, the District has allocated the budget for promotion of CAP approach through the local approach such as "Gama Naguma".(village development) and "Maga Neguma" (road development) <sup>(Note 7)</sup>. Although its budget amount is not enough to meet all the development needs in the district, budget constraints are common issues often seen in Sri Lanka and at least the budget is sufficiently allocated for continuing the CAP approach. The ex-post evaluation could not collect the financial information from the Southern Provincial Council.

From these findings, it is considered that there is a minor problem in the financial aspect, but this issue is not critical to hinder the sustainability of the project effects. Therefore, the sustainability of the project is high.

(Note 7) Gama Naguma and Maga Neguma are the grassroots economic development initiative by the Sri Lankan government to support the rural households and villages through agricultural development, small-scale infrastructure development, improvement of livelihood and environment, and capacity development of the rural people, etc.

### 5 Summary of the Evaluation

This project has achieved the project purpose and the achievement of the overall goal cannot be verified. The project successfully developed the CAPs in the target 8 GN divisions (villages) in Hambantota District, and more than 50% of the suggested activities in the CAPs were implemented by the project or other development agencies. Majority of PIC and CBOs members recognized the usefulness of CAPs as comprehensive development plans, and their functions have been continued after the project completion. As it was confirmed that all 576 GN divisions in Hambantota District formulated at least 576 CAPs, and at least 576 CCS projects were formulated and implemented from the above CAPs, there were intensive and large

scale of dissemination and promotion of CAP and CCS process in Hambantota District and the project contributed to expedite the above process to some extent. However, the project effects on increase of households' income in target 8 GN divisions and in GN divisions by formulating CAPs in Hambantota District could not be verified due to lack of information.

As for sustainability, the Jana Sabha Act has endorsed promotion of CAP approach as a means of rural development in Sri Lanka. The skills and knowledge for promoting CAP approach have been sustained in the field level officials in divisional and district levels with the sufficient assignment of staff. Moreover, programmes in the nature of "Gama Naguma" (village development), "Maga Naguma" (road development) initiated by the central government embedded the CAP philosophy. So far, sufficient budget have been allocated to continue the CAP approach.

Regarding efficiency, project cost slightly exceeded the plan due to increase in number of Japanese experts and additional purchase of extra office equipment. In the light of above, this project is evaluated to be satisfactory.

### III. Recommendations & Lessons Learned

Recommendations for Implementing agency:

- 1) In order to ensure more stable funds for implementing CAP approach in Hambantota District, it is recommended that each GN Division should formulate CAP and CCS aligned with Gama Naguma and Maga Neguma programs since there are available fund for Gama Naguma and Maga Neguma programs in the central government.
- 2) Also there is a possibility of financial assistance from NGOs for rural development projects based on the CAP approach. It is also recommended that each GN Division, Hambantota District and Southern Province should have collaborations with NGOs in formation and implementation of CAP and CCS and obtain financial support from them in order to extend the activities to cover more development needs including health sector and others.

Lessons learned for JICA

- 1) The original CAP approach is recognized by the villagers and local authorities as one of the effective methods for identifying development needs and for prioritizing the implementing activities through participatory planning process. Since long hour workshops often discourage villagers to participate in the participatory planning process, the project modified the CAP approach to encourage and facilitate participation of villages through shorter planning process. The well-designed participatory process is a key for effective planning and prioritization of community development projects through facilitation of villagers' participation.
- 2) Several important factors for enhancing sustainability of the project are as follows. 1) The CAP approach is embedded within the policy framework of the government of Sri Lanka. The support of the state has not only resulted in the sustenance of the project but also in the dissemination of the approach in the Hambantota district as well as other parts of the country. 2) The approach has been adopted in Sri Lanka since the 1980s. The indigenous CAP approach that people of Sri Lanka are used to apply, have succeeded well in this project too. 3) People realize the tangible benefits accruing from the CAP approach, which gives them the impetus to sustain it. Therefore, these factors are considered as positive contributions to the project's sustainability based on the ex-post evaluation survey and possibly can be applied to other similar projects.
- 3) For the income and livelihood improvement activities, it can be said that identifying the active and motivated persons to the project was the key for sustainability of the project effects after the completion of the project. Particularly for the income generation activities, such as Palmyra basket making and mushroom production, marketing opportunity is also essential for the continuity of the project effects.
- 4) One of the major issues encountered in this ex-post evaluation was the non-availability/non-maintenance of quantitative data. Therefore, it is suggested that quantitative yardsticks to measure the achievement of the project must be established during the project formulation and the mechanism to record them must be embedded in the project implementation stage. Necessary formats, the frequency of data recording, the frequency of data collection, the flow of data collection, duration for which such data should be maintained etc. must be developed and prescribed at the time of project planning.



Elephant fence providing necessary protection against elephants encroaching the lands of villagers in Hambantota Division



Mushroom cultivation at a commercial scale in Sooriyawewa Division