



DET KONGELIGE
UTENRIKSDEPARTEMENT

Royal Norwegian Ministry of Foreign Affairs

Evaluation Report 5/2001

Evaluation of Development Co-operation between Bangladesh and Norway, 1995–2000



**Information from the
Royal Norwegian Ministry of Foreign Affairs**

The Ministry's Information Section provides information with regard to current foreign policy, trade policy, and development cooperation policy.

Material can be ordered from
fax no. + 47 22 24 27 87

Foreign Ministry switchboard
Tel. + 47 22 24 36 00
Fax + 47 22 24 95 80 or + 47 22 24 95 81

Information is available on the Internet at
<http://odin.dep.no/ud>

Information to the media:

The Ministry's Press Spokesperson and the Senior Information Officer on Development Cooperation can be contacted through the Foreign Ministry switchboard

Foreign journalists:

The Norway International Press Centre, NIPS, is the Foreign Ministry' service centre for foreign journalists in Norway,
tel. + 47 22 83 83 10

In countries outside of Norway, information on the Ministry of Foreign Affairs may be obtained from Norwegian embassies or consulates

Evaluation of Development Co-operation between Bangladesh and Norway, 1995–2000

Centre for Development Studies, University of Bath, UK

Team Leader:

Dr. J. Allister McGregor, CDS Bath, UK.

Education Sector Team:

Dr. Roger Garrett, University of Bristol, UK, Dr. John Lowe, CDS Bath,
UK, Mrs Tabassum Sakawat, Ind Consultant, Bangladesh

Productive Sector Team:

Dr. Arne Disch, SCANTEAM Consultant, Norway, Dr. Zulfiqar Ali, BIDS, Bangladesh

Human Rights and Democracy Sector Team:

Dr. J. Devine, CDS Bath, UK, Masud Ali, Incidin, Bangladesh,
Sheela Huq, Incidin, Bangladesh

Additional Resources:

Gender: Dr. Sarah White, CDS Bath, UK

International Agencies: Mr. Bo Sundstrom, Consultant, Sweden

General: Mr. Olof Sandkull, Consultant, Sweden

Secretary: Ms. Nasreen Sultana, Bangladesh

Responsibility for the contents and presentation of findings and recommendations rests with the evaluation team. The views and opinions expressed in the report do not necessarily correspond with the views of the Ministry of Foreign Affairs.

Table of Contents

Abbreviations	5
Glossary of Non-English Words	7
Fact Sheet	8
Acknowledgements	8
Bangladesh at a glance	9
Executive Summary	11
1 The Evaluation of Development Co-operation between Norway and Bangladesh, 1995–2000	15
1.1 Introduction	15
2 Bangladesh: Background	17
2.1 Introduction	17
2.2 Growth and Economic Performance	17
2.3 Demography and Human Resources	18
2.4 Social and Cultural Change	18
2.5 Politics and Governance	19
2.6 Donors and the International Community	20
2.7 Poverty	21
3 The Norwegian Aid Programme in Bangladesh 1995–2000	23
3.1 Introduction	23
3.2 Norway and Bangladesh: The MoU and CSP	23
3.3 Financing Levels	24
3.4 The Structure of Norwegian Funding	25
3.5 Sectoral Distribution and Concentration	27
3.6 Processes and Procedures	29
4 Support for the Education Sector	31
4.1 Introduction	31
4.2 Education in Bangladesh	31
4.3 Norwegian Support to the Education Sector in Bangladesh	31
4.4 Poverty Alleviation: Impact	35
4.5 Principles and Processes	37
4.6 Cross-Cutting Issues: Gender and Environment	40
4.7 Points for Discussion	40
5 Support to the Productive Sector	43
5.1 Introduction	43
5.2 Norwegian Support to the Productive Sector in Bangladesh	43
5.3 Poverty Alleviation: Impact	45
5.4 Principles and Processes	50
5.5 Cross-Cutting Issues: Gender and Environment	51
5.6 Points for Discussion	51

6 Support to Human Rights and Democracy	54
6.1 Introduction	54
6.2 Human Rights and Democratisation in Bangladesh	54
6.3 Human Rights and Democracy: NORAD's Current Sector Programme	55
6.4 Poverty Alleviation: Impact	56
6.5 Principles and Processes	59
6.6 Cross-cutting Issues: Gender and Environment	61
6.7 Points for Discussion	61
7 Conclusion and Recommendations	64
7.1 Bangladesh and Poverty in the 1990s	64
7.2 The Impacts and Effects of the Co-operation	64
7.3 Principles and Processes	65
7.4 Cross-Cutting Issues: Gender and the Environment	68
7.5 Challenges and Recommendations	69
Annex 1 Terms of Reference	75
Annex 2 List of Institutions and Persons Consulted	79
Annex 3 Memorandum of Understanding (MoU) on the Development Co-operation between Norway and Bangladesh	83
Annex 4 Environment Projects	87
Annex 5 NGOs working in Human Rights and Democracy	89
Bibliography	90
List of Tables	
Table 3.1. Aid to Bangladesh as Share of Norwegian Aid	25
Table 3.2. Norwegian Aid by Budget Allocation item, 1995–2000	26
Table 3.3. Assistance to and through NGOs to Bangladesh, 1995–2000	27
Table 3.4. Gender and Development Activities, 1995–2000	27
Table 3.5. Concentration Measures, Bangladesh Country Programme	28
Table 4.1. Development and Revenue Education Sector Spending, 1995–2000	32
List of Figures	
Fig 3.1. Co-operation Strategy Bangladesh-Norway 1995–2000	23
Fig 4.1. Education Budget Expenditure by Project	32
Fig 4.2. The Structure of the Education Sector and Norwegian Support in Bangladesh.	33
Fig 5.1. Norwegian Support to Productive Sector	43
Fig 6.1. Expenditure on Human Rights and Democracy Projects	55
List of Boxes	
Box 1.1. Poverty in Bangladesh: Understanding and Interventionsals	22

Abbreviations

ACRE	Area Coverage Rural Electrification
ADAB	Association of Development Agencies in Bangladesh
ADB	Asian Development Bank
ADP	Annual Development Plan
BAURES	Bangladesh Agricultural University Research System
BDF	Bangladesh Development Forum
BIDS	Bangladesh Institute of Development Studies
BPDB	Bangladesh Power Development Board
BPI	Bangladesh Petroleum Institute
BRDB	Bangladesh Rural Development Board
CBA	Centre Based Approach
CMI	Chr. Michelsen Institute
CPD	Centre for Policy Development
CSP	Country Strategy Paper
DAC	Development Assistance Committee
DECO	Development Consultants (Oslo firm)
DESA	Dhaka Electricity Supply Authority
DESCO	Dhaka Electricity Supply Company
DFID	Department for International Development
DNFE	Directorate of Non-Formal Education
DPE	Directorate of Primary Education
DSHE	Directorate for Secondary and Higher Education
EIRR	Economic Internal Rate of Return
ERD	Economic Resources Division
FAPAD	Foreign Assisted Projects Audit Department
FSSAP	Female Secondary School Assistance Project
FESP	Female Secondary Education Stipend Project
GIS	Geographical Information Systems
GoB	Government of Bangladesh
GDP	Gross Domestic Product
GNP	Gross National Product
GP	Grameen Phone
HCU	Hydrocarbons Unit
HDI	Human Development Index
HR&D	Human Rights and Democracy
IDA	International Development Association
IMED	Implementation, Monitoring and Evaluation Division
ILO	International Labour Organisation
INFEP	Integrated Non-Formal Education Programme
IUCN	International Union for Conservation of Nature
IPP	Independent Power Producer
JPO	Junior Professional Officers
KPAP	Kurigram Poverty Alleviation Project
LCG	Local Consultative Group

LFA	Logical Framework Approach
LINS	Lærerhøgskolens Internasjonale Senter (International Centre for Education, Oslo)
LMG	Like Minded Group
MECA	Monitoring and Evaluation of Credit Assistance
MFA	Ministry of Foreign Affairs
MFI	Micro Finance Institutions
MIS	Management Information Systems
MoEF	Ministry of Environment and Forests
MOEMR	Ministry of Energy and Mineral Resources
MoU	Memorandum of Understanding
MTR	Mid Term Review
NAPE	National Academy for Primary Education
NCG	Nordic Consulting Group (Oslo firm)
NCIP	National Conversation Strategy Implementation Project
NCTB	National Curriculum and Textbook Board
NEA	National Energy Agency
NGO	Non Governmental Organisation
NFE	Non-Formal Education
NFEP	Non-Formal Education Project
NIVA	Norwegian Institute of Water Research
NFE-TA	Non-Formal Education Technical Assistance
NOK	Norwegian Kroner
NORAD	Norwegian Agency for Development Co-operation
NPD	Norway's Petroleum Directorate
NUFU	Norwegian Universities' Research Cooperation Programme
NRECA	National Rural Electricity Cooperative Association
PBS	Polli Bidut Samity
PEDP	Primary Educational Development Project
PEDPQI	Primary Education Development Project for Quality Improvement
PEP	Productive Employment Project
PLCE	Post Literacy and Continuing Education
PMED	Primary and Mass Education Division
PPCM	Programme and Project Cycle Management
PSC	Production Sharing Contracts
PSD	Private Sector Development
RAKUB	Rajshahi Krishi Unnayan Bank
REB	Rural Electrification Board
RESP	Rural Employment Sector Programme
RT	Re-allocation Table
SME	Small and Medium Enterprises
SEDP	Small Enterprise Development Project
SEMP	Sustainable Environment Management Programme
SIDA	Swedish International Development Agency
SSC	Secondary School Certificate
Tk	Taka (currency of Bangladesh)
TLM	Total Literacy Movement

ToR	Terms of Reference
TPO	Thana Project Officer
TRC	Thana Resource Centre
UN	United Nations
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
VP	Annual Plan of Operation (Virksomhetsplan)
VPP	Village Pay Phone
WAD	Women's Affairs Department
WB	World Bank
WID	Women in Development

Glossary of Non-English Words

<i>Char</i>	Agricultural land formed from silt deposits along the edges of rivers
<i>Hartal</i>	A strike
<i>Kroner</i>	Currency unit of Norway
<i>Pourashava</i>	Municipality
<i>Shalish</i>	Informal unit of village governance presided over by village leaders
<i>Taka</i>	Currency unit of Bangladesh
<i>Thana</i>	Administrative unit, sub-district (also known as <i>upazila</i>)
<i>Tildelingsbrev</i>	Allocation Letter
<i>Upazila</i>	Administrative unit, sub-district (also known as <i>thana</i>)
<i>Virksomhetsplan</i>	Annual Plan of Operation

Fact Sheet

This is an evaluation of the development co-operation between Norway and Bangladesh between 1995 and 2000. The co-operation has been guided by a Memorandum of Understanding which was signed by the two countries in May 1995.

The Evaluation Section of the Norwegian Ministry of Foreign Affairs commissioned the team, led by Dr. J. Allister McGregor of the Centre for Development Studies (CDS) at the University of Bath, UK, to undertake a review to assess the results and experiences of the co-operation. Another intention of the evaluation was to provide guidance for future development co-operation between Norway and Bangladesh.

The 1995 Memorandum of Understanding between Norway and Bangladesh has an

overriding objective of “poverty alleviation”. The co-operation focuses on three substantive areas: the education sector; the productive sector; and human rights and democracy activities. Gender equality and environmental sustainability are highlighted as key cross-cutting concerns. Three principles were to guide the co-operation: Recipient Responsibility, Concentration, and Co-ordination.

Between 1995 and 2000 Norwegian bi-lateral assistance to Bangladesh totalled NOK 1,399.4 million. While the total has increased over the period, country frame resources have declined from NOK 171 million in 1995 to just over NOK 103 million in 2000. The share of total Norwegian development assistance given to Bangladesh declined from 4.81% in 1995 to 3.64% in 1999.

Acknowledgements

The evaluation team would like to acknowledge the wide range of support and co-operation that they have received throughout the evaluation process. In Norway, staff at NORAD and the Ministry of Foreign Affairs have been courteous and helpful in ensuring the smooth progression of this evaluation. The team also owes a debt of gratitude to the Ambassador, the Counsellor and their staff at the embassy in Dhaka, for their supportive work with the evaluation team, which they performed despite their own hectic schedules. In particular all of the staff at the embassy must be thanked for their perseverance in helping the team come to

a better understanding of the principles and procedures of Norwegian development assistance. Officials of the Government of Bangladesh have participated freely and enthusiastically in the evaluation and their reflections on the co-operation have been greatly appreciated. In Bangladesh, partner NGO staff, members of civil society, and officials of other development agencies have also sacrificed some of their scarce time to make valuable contributions to the evaluation. It is to be hoped that that the expectations everyone has come to have of this evaluation will be at least partially met.

Bangladesh at a glance

POVERTY and SOCIAL

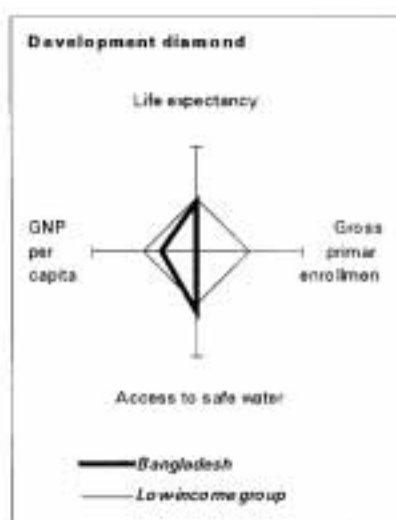
	Bangladesh	South Asia	Low-income
1998			
Population, mid-year (millions)	125.8	1,305	3,536
GNP per capita (Atlas method, US\$)	350	430	520
GNP (Atlas method, US\$ billions)	44.2	560	1,842

Average annual growth, 1992-98

	Bangladesh	South Asia	Low-income
Population (%)	1.6	1.9	1.7
Labor force (%)	2.9	2.3	1.9

Most recent estimate (latest year available, 1992-98)

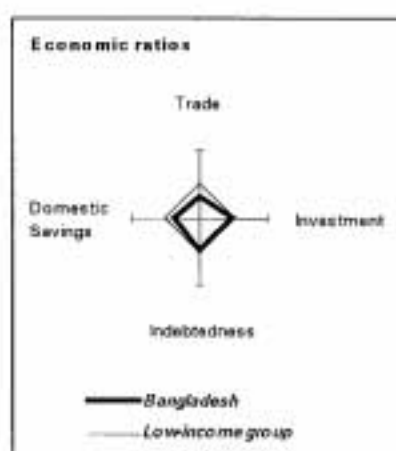
	Bangladesh	South Asia	Low-income
Poverty (% of population below national poverty line)	36	..	..
Urban population (% of total population)	23	28	30
Life expectancy at birth (years)	59	62	63
Infant mortality (per 1,000 live births)	73	75	66
Child malnutrition (% of children under 5)	55	51	36
Access to safe water (% of population)	84	77	73
Illiteracy (% of population age 15+)	60	47	31
Gross primary enrollment (% of school-age population)	..	100	107
Male	..	110	112
Female	..	90	102



KEY ECONOMIC RATIOS and LONG-TERM TRENDS

	1978	1988	1997	1998
GDP (US\$ billions)	13.2	25.8	41.0	42.7
Gross domestic investment/GDP	17.1	18.4	21.6	22.2
Exports of goods and services/GDP	4.1	5.8	12.4	13.6
Gross domestic savings/GDP	7.8	9.4	15.3	17.1
Gross national savings/GDP	12.1	14.9	23.1	25.3
Current account balance/GDP	-2.9	-4.3	-2.3	-0.6
Interest payments/GDP	0.3	0.6	0.4	0.4
Total debt/GDP	23.4	41.4	36.9	38.3
Total debt service/exports	20.8	22.1	10.6	9.1
Present value of debt/GNP	..	..	..	22.9
Present value of debt/exports	..	..	..	134.6

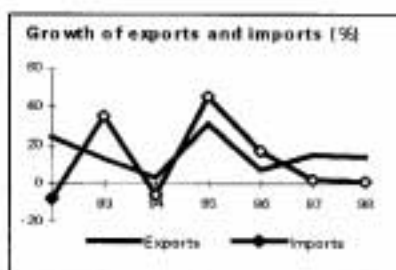
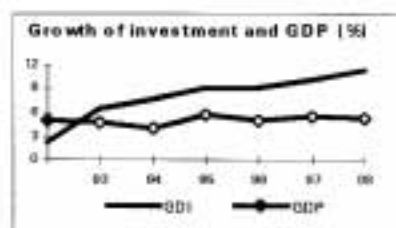
	1978-88	1988-98	1997	1998
(average annual growth)				
GDP	4.7	4.7	5.3	5.1
GNP per capita	2.3	3.1	3.8	4.2
Exports of goods and services	5.4	14.4	14.5	14.3



STRUCTURE of the ECONOMY

	1978	1988	1997	1998
(% of GDP)				
Agriculture	41.6	29.8	23.1	22.2
Industry	21.4	22.4	27.1	27.9
Manufacturing	15.6	14.8	17.3	18.1
Services	37.0	47.8	49.8	49.9
Private consumption	90.8	87.2	80.1	78.5
General government consumption	1.4	3.3	4.6	4.4
Imports of goods and services	13.4	14.7	18.7	18.9

	1978-88	1988-98	1997	1998
(average annual growth)				
Agriculture	3.0	2.6	6.1	3.0
Industry	4.3	5.4	5.6	-19.6
Manufacturing	2.9	7.0	6.2	9.2
Services	6.1	5.4	4.7	20.1
Private consumption	5.1	4.4	2.3	1.6
General government consumption	5.1	5.9	6.0	-0.3
Gross domestic investment	2.9	6.0	10.0	11.2
Imports of goods and services	4.8	10.5	2.0	0.6
Gross national product	4.9	4.8	5.5	5.9



2000 World Development Indicators CD-ROM, World Bank

Note: Figures in *italics* are for years other than those specified. The diamond charts show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

Executive Summary

Introduction

A Memorandum of Understanding (MoU) on Development Co-operation between Norway and Bangladesh was signed in May 1995. This evaluation has been commissioned by the Norwegian Ministry of Foreign Affairs (MFA) to assess the results and experiences of the co-operation between 1995 and 2000 and to contribute to the process of establishing a new round of co-operation between the two countries. The overriding objective stated in the MoU is “poverty alleviation” and it was agreed that co-operation would concentrate on three substantive areas: education, the productive sector, and human rights and democracy activities. Gender equality and environmental sustainability were highlighted as key cross-cutting concerns. Moreover, three principles were seen as guiding the co-operation:

- *Recipient responsibility* – the co-operation shall be in accordance with the plans and priorities of the Government of Bangladesh and that the GoB should be responsible for the planning, implementation, monitoring and control of activities.
- *Concentration* – the co-operation shall be focused on a limited number of objectives, priority areas and co-operating partners.
- *Co-ordination* – assistance shall be implemented in a coherent, co-ordinated and integrated manner. This principle notes that all available allocations and channels shall be used to promote the fulfilment of agreed objectives.

The establishment of a transparent MoU, mutually agreed with the Government of Bangladesh is not common to development assistance in Bangladesh. This approach to co-operation has been valued by partners in both government and non-government organisations in Bangladesh and has had important positive benefits for the co-operation.

Country Background

There is cautious optimism in Bangladesh about the current development of the country. The economy has performed relatively well over the last decade. Growth in per capita GDP has been good and there has also been an impressive rate of export growth. Basic democracy was restored in 1991 and since then the country has undergone a complex period of political transition. Importantly, changes have occurred within which discussions on human rights and democracy can take place.

However, the challenges of poverty in Bangladesh are still enormous. There has been some progress in poverty reduction during the 1990s, but less than might have been hoped for from the good economic performance. The persistence of extreme poverty remains one of the most daunting problems confronting Bangladesh and around 30% of the population continue to live below an extreme poverty line. There is growing concern in Bangladesh over the increase in inequality during the last decade.

Amongst development agencies working in Bangladesh there is a consensus that poverty must be understood as a multi-dimensional concept. This analysis requires differentiation among poor people and understanding of the ways in which poor people differ from each other and are located in different contexts. This increased sophistication in the analysis of the dynamics of poverty means that if poverty reduction targets are to be taken seriously by governments and development agencies, then their poverty policy formulation must also become similarly sophisticated.

Norwegian Assistance

The Norwegian country frame allocation to Bangladesh has fallen systematically over the last six years. This was part of a larger trend within Norwegian bilateral aid, where allocations to priority countries were being

reduced in favour of more dispersed funding to other countries, while global and to some extent regional allocations were growing.

The MoU identifies three sectors of co-operation: Education, the Productive sector, and Human Rights and Democracy. The specific objective for the education sector was the development of a good educational system, with special emphasis on primary education. Between 1995 and 2000, Norway and Bangladesh signed three major agreements for education: the Female Secondary Education Stipend Project (FESP 2), the Non-Formal Education Project (NFEP 2), and the Primary Education Development Project for Quality Improvement (PEDPQI). The focus of Norwegian aid on education can be seen as being broadly supportive of poverty reduction in line with the Jomtien and post-Jomtien arguments. Within the individual projects, however, it is difficult to discern a sharp poverty alleviation focus. The major challenge for partners on both sides of the co-operation is in reconciling the poverty alleviation and education quality objectives. For the GoB, this is a matter of major policy consideration and is one that must be dealt with in the forthcoming Poverty Reduction Strategy Paper. For Norway, consideration must be given to whether it has invested sufficient resources to manage this range of activities and to reach the objectives set out in the MoU.

In co-operation in the productive sector, the MoU defines the promotion of “increased employment and higher incomes among the poor sections of the population”, particularly for women, as a means of meeting the MoU objective. Activities have spanned three broad areas: rural development, industry and business development, and petroleum sector development. Within rural development, activity can be interpreted as having covered three sub-areas: (a) rural electrification, (b) rural credit schemes and (c) rural livelihoods.

The poverty focus in this sector has been variable. Activities at the business and industry end of the scale have not been expected to have

much direct impact on poverty, being rationalised instead in terms of creating the broader economic conditions for poverty alleviation. Rural development activity is seen as more focused in the areas where the problems of poverty are most pressing. While there is an ongoing process of concentration in this sector, there remains a need to develop a clearer strategic vision. In particular, the poverty impacts of wider types of intervention must be better understood and Norway’s role as a grants-based funder merits careful consideration.

In the Human Rights and Democracy (HR&D) sector, the MoU sets out the bolstering of the democratic process in Bangladesh as a key objective of the co-operation. While human rights and democracy are central elements of Norwegian development assistance policy, the task of translating this high-level priority into an operational reality in Bangladesh has proved to be difficult. This difficulty reflects the context of Bangladesh, where the GoB is neither an enthusiastic nor experienced partner in this area of co-operation, and where the political impasse from 1995 to mid 1996 severely hindered early attempts at developing the sector. Funding levels are comparatively low, the sector was “new” in 1995, management of the sector has been fragmented and efforts to better understand the sector in Bangladesh though research, reviews and assessments have been few and far between.

Evidence of impact at the client level was found where the supported organisations target specific groups. However, the shortcomings of the current approaches to evaluation for HR&D activities were highlighted. While there is a need for a broader type of intervention (system level) in this sector, the programmes, purposes, goals and indicators of interventions at this level are not always clear nor well defined. The commitment to gender equality was most strongly evident in this sector of the co-operation.

Overall Evaluation

The overall view of the co-operation, drawn from the detailed examination of the three sectors and from a broader overview of Norway's involvement in the development scene in Bangladesh, is that the co-operation has been effective, but it is of course at an early stage in its evolution. The MoU in 1995 signalled a radical departure for Norway and was an important form of agreement amongst international donors with the Government of Bangladesh. The MoU and its underpinning Norwegian Country Strategy Paper implicitly identify sectors and forms of co-operation which clearly require a longer period of gestation than five years.

The evaluation has established that impact on poverty alleviation can be discerned in all three co-operation sectors. However, the data on client-level impact tend to be weak and are not well collated by organisations on either side of the co-operation. There is more substantial evidence of impact at the organisational level, but indicators on improvements in organisational capacity must be developed further.

The systemic-level impact of this co-operation may be significant. All three sectors have important activities which have the potential to make a contribution to systemic pro-poor change in Bangladesh. The question of monitoring and assessment is most challenging at the systemic-impact level. Presently, most of the evidence available is anecdotal or impressionistic.

There has been some headline *concentration* of the programme on the three sectors. Nonetheless, there is still a range of dispersed and loosely connected activities within the three sectors, although efforts continue to be made by the embassy to tighten up the range of involvement. It is important to note that there are a number of factors, not least arising out of the political system in Norway, which frustrate embassy efforts to further concentrate the co-operation programme. Alongside rigorous management procedures, the continuing number of activities means that the

administrative burden on the embassy staff is still heavy.

Co-ordination at all levels and on both sides remains a challenge for the co-operation. On the Norwegian side, the complexity of relations and communications between the embassy, NORAD-Oslo and the various sections of the Ministry of Foreign Affairs is problematic. In the embassy, there are challenges of communication and co-ordination between the three sectors. On the GoB side, there is insufficient substantive co-ordination. Policy thinking within Ministries of the GoB tends to focus on their particular sphere of specialism and makes little meaningful back-linkage to the primary objective of the government, or to the ways that this connects to the objectives of other parts of government. There is a peculiarly high level of donor co-ordination in Bangladesh. While this is currently operating well at the higher level of principles, it faces more profound challenges as one moves deeper into operational levels.

The principle of *recipient responsibility* emerges as both a source of strength and of potential weakness. Norway is perceived as a good partner because it clearly sets out its initial position and then is less interfering than other donors. The principle, however, may also be problematic on the Norwegian side as it may be interpreted as an obstacle to the adoption of a more proactive role in the co-operation.

Across the entire co-operation, the mechanisms for dealing with cross-cutting issues can be strengthened. The subject matter of specific projects and broad indicators suggest that both sets of partners have been effective in focusing efforts on women, but this does not mean that this is underpinned by good quality gender analysis. The evidence of consideration of environmental issues in the programme is weak.

Challenges and Recommendations

The MoU of 1995 was a challenging document which left much to the agencies on both sides of the co-operation to work out the

operationalisation of its ambitions. The ambitions are viewed by actors on both sides of the co-operation as being worthy and the strategy basically sound. Foremost amongst the challenges facing any future co-operation is matching ambitions with resources. The quality of achievement in development co-operation can be seen as a function of the ambition targeted and the level of investment in staff working towards that ambition. The choice for the future of Norwegian co-operation in Bangladesh involves deciding what balance should be struck between concentrating and investing more in the staff resources to achieve the necessary level of quality involvement.

- It is recommended that there should be further substantial concentration and that this should be accompanied by appropriate strategic investment in the capacity to improve the co-operation.

The approach of signing a mutually agreed MoU is seen as having benefits.

- It is recommended that in any future co-operation the MoU (or similar document) should be confined to a framework document and that the sector details should be worked out systematically through sector reviews. Efforts should also be made to ensure that any agreement that is reached is seen as relevant for civil society and NGO partners.

The recent overall poverty performance in Bangladesh poses challenges for a bilateral donor such as Norway. The profile of poverty problems in Bangladesh is changing and the persistence of extreme poverty and increasing inequality have been noted as two important issues.

- It is recommended that the partners should jointly engage in workshops, beyond their routine contact, to further develop the analytical clarity of their approach to poverty reduction.

NORAD in Bangladesh is perceived by other donors as having been prominent in the discussion of corruption with the GoB.

- It is recommended that NORAD invest more in its thinking on corruption in Bangladesh so that the concept can be embedded not just in top level documentation and debates, but in the day to day discussions between the partners in the co-operation.

Finally, it is the view of the evaluation that building on the ambition of the 1995 MoU, Norway should continue its investment in its role as a good and innovative partner working towards poverty reduction in Bangladesh.

1 The Evaluation of Development Co-operation between Norway and Bangladesh, 1995–2000

1.1 Introduction

In 1994–95 a country strategy for development co-operation with Bangladesh was drawn up. After debate and consultation in Dhaka and in Norway, a Memorandum of Understanding (MoU) to guide the development co-operation was signed on the 23 May 1995. This evaluation has been commissioned by the Evaluation Section of the Norwegian Ministry of Foreign Affairs (MFA) to review the experiences of the development co-operation between Norway and Bangladesh from 1995 to 2000.

The evaluation has been asked to focus on the MoU between Norway and Bangladesh and to assess the results and experiences of the co-operation (see Annex 1 for ToR). The overriding objective of the co-operation over this period has been “poverty alleviation”¹ and from the outset this evaluation has sought to place that objective at the heart of the evaluation exercise. The MoU also outlines three important principles that were to guide this co-operation:

- **Recipient responsibility:** that the co-operation shall be in accordance with the plans and priorities of the Government of Bangladesh (GoB) and that the GoB should be responsible for the planning, implementation, monitoring and control of activities.
- **Concentration:** the co-operation shall be focused on a limited number of objectives, priority areas and co-operating partners.
- **Co-ordination:** assistance shall be implemented in a coherent, co-ordinated and integrated manner. This principle notes that all available allocations and channels shall be used to promote the fulfilment of the agreed objectives.

The establishment of a transparent MoU which has been mutually agreed with the Government of Bangladesh (GoB) is unusual in development assistance in Bangladesh. While other bilateral donors have “country strategies” or “country-assistance frameworks”, in 1995 Norway was at the forefront of an approach to co-operation which set out clear priorities and sought to foster the GoB’s ownership of the agreement. The transparent and co-operative approach adopted during the co-operation has had a number of important positive benefits for the development of relationships in the partnership. In its commissioning of this evaluation and in specifying that it should be an open and participatory process, Norway again has been innovative. The evaluation process has been perceived by those who have participated on the government, donor, and civil society sides as another positive feature of the Norwegian approach to development co-operation in Bangladesh.

The methodology adopted in this evaluation has kept the objective of poverty alleviation firmly in focus. It has sought to assess what impact on poverty can be seen to have arisen from the co-operation. Impact has been defined as meaning the effects beyond the immediate outputs of projects and programmes, and three possible levels of the impact of the co-operation have been considered:

- **Client level:** Has the co-operation programme resulted in a reduction of poverty for the groups of poor people targeted by it?
- **Organisational level:** Has the co-operation strengthened the organisations involved so that they are better able to contribute to poverty alleviation?

1) The MoU uses the phrase “poverty alleviation” while the Country Strategy Paper and Norwegian Policy documents use the phrase “poverty reduction”. Throughout this report, when evaluating the co-operation the phrase “poverty alleviation” will be used, even though it is recognised that this is a less precise term than poverty reduction.

- **Systemic level:** Has the co-operation resulted in changes in wider social, cultural, economic and political systems so that the objective of poverty alleviation may be more likely achieved?

The three levels can be seen as nested inside each other, with understandings of client and organisational impacts feeding into an overall assessment of systemic impact. This particular approach has been developed out of post-DAC, programme-impact assessment work with other donors (Conway and Maxwell 1999). It is also closely informed by longstanding observation by the team members of development co-operation in Bangladesh over the past 15 years.

The usual problems with the evaluation of “impact” are recognised here: five years is a short time span in which to expect to identify “impacts”, especially where interventions could be expected to have long-yield horizons (for example, in primary education), and there remains a problem of attributing “impacts” to specific interventions. However, these reservations notwithstanding, it is important that some effort be made to assess whether public development funds, spent in the name of

poverty alleviation (or reduction), are actually having any effects on the lives of poor people.

The evaluation has been fundamentally “evidence based”. It has taken as its foundation the reports of outputs and impacts that have been available in existing reviews, reports and evaluation studies. These were then explored further in interviews and discussions with representatives on both the Norwegian and Bangladeshi sides of the co-operation. In these each of the three principles enunciated in the MoU has been considered and the *processes* of co-operation have been explored. The evaluation has also examined the views that different actors and stakeholders hold of the content and relationships in the co-operation and the extent to which they are contributing to the overriding goal of poverty alleviation. The primary methods adopted by the evaluation have included: face-to-face interviews with a wide range of key participants on all sides of the co-operation, focus on group discussions around specific sector themes, and a series of joint meetings to discuss the preliminary views and findings of the evaluation. As far as possible, the evaluation has been structured to make it a learning experience for the people and organisations involved.

2 Bangladesh: Background

2.1 Introduction

There is cautious optimism in Bangladesh about the current development of the country. While the development challenges facing Bangladesh are still enormous and the statistics on poverty in particular are daunting, there are nevertheless a number of changes taking place in the economy and society which give some grounds for hope. This sense of hope for a dynamic development process is important both within Bangladesh and in the international community, where Bangladesh need no longer be stigmatised as the hopeless “basket-case”.

2.2 Growth and Economic Performance

The Bangladesh economy has performed relatively well over the last decade. Between 1991 and 1997 GDP per capita grew at 3.2% per annum. More recent estimates for the period 1996 to 1999 suggest an even better economic performance with GDP growing at around 5.5% per annum and with a corresponding per capita growth rate of 3.8% per annum (CPD 2000, BIDS 2001). While the South Asian economies have performed dynamically over the last decade, Bangladesh emerges as the second most impressive performer in the region, only bettered by India. Growth in Bangladesh has been much greater than the average per capita growth rates for low-income countries as a whole during this period (World Bank 2000).

The growth performance has featured an impressive rate of export growth. During the last five years exports have grown at between 10% and 16% per year and together with increased foreign direct investments this is estimated as having created employment for around 1.5 million people (mainly women factory workers). The growth of the garments industry, which represents 70% of exports, has been remarkable.

Remittances from Bangladeshis working overseas are estimated at 2 billion US Dollars

per annum, which is more than the total annual development assistance. Both of these performances reflect the fact that to a large extent, Bangladesh has achieved its growth rates during the 1990s through the exploitation of its relatively cheap workforce. However, Bangladesh will face intensified regional competition from both South and Southeast Asia in the coming years and concerns over the declining productivity of the garments sector warn against resting on a complacent view of recent successes.

Only in recent years has there been significant foreign direct investment in the country. But, the expansion of this and the continued growth of the export industries are threatened by severe infrastructural bottlenecks (ports, transportation, communications and energy). Continued stability in the governance of the country will also be important.

The overall economic performance is reinforced by a number of important factors in the domestic economy. Agriculture has recovered from a slump in the early 1990s to perform relatively well in the second half of the decade. While subject to fluctuations, the growth in food production (mainly rice) has broadly kept pace with population growth (CPD 2000). The fact that around nine million poor households are estimated to have gained access to micro-credit is also regarded as an important feature of change in rural Bangladesh. Although it remains a matter of debate as to whether micro-credit is an effective means of graduating significant numbers of people out of poverty, it is argued to have contributed to the resilience of the rural population. This improved resilience has been advanced as one important factor in an improved ability to cope with natural disasters, such as the heavy floods of 1998.

2.3 Demography and Human Resources

With around 130 million people, population pressure remains one of the most critical factors for the future. The decline in the population growth rate from an annual rate of 2.8% in the 1960s to around 1.6% in the late 1990s is significant. The fertility rate has fallen from almost seven children per fertile woman in the early 1970s to around three children per woman today.

Although the health situation in Bangladesh continues to be generally poor, there have been important advances. Infant mortality has been reduced from 151 per 1000 children in 1960, to 83 in 1996 and child mortality (under five years of age) has decreased from 247 per 1000 live births in 1960 to 112 in 1996. Child vaccination has increased from 30% in 1990 to 77% in 1996.

There are mixed signals on changes in education in Bangladesh. Adult literacy rates have improved from a low of 24% in the beginning of the 1970s to a reported 60% in 1999. The gross primary school enrolment rate has increased from around 50% in 1989 to 96% in 1999 (BIDS 2000). At the secondary level, enrolment has increased to 41%. There has also been nominal improvement in the male-female balance in education and particularly in primary education. A number of concerns remain over the qualitative dimensions of the education system. Drop-out and repeater rates remain high and attendance rates are low (Chowdhury *et al* 1999).

2.4 Social and Cultural Change

Around 80% of the population still lives in rural areas, but the urban population has increased fourfold over the last two decades. Most urban newcomers work in the informal sector or within the growing textile and ready-made garment industry. While provincial towns and cities are expanding, Dhaka remains the primary focus of urbanisation. Slum housing and haphazard shacks vie for space with construction sites for smart new apartments or shopping complexes. The hugely expanded

volume of traffic means that congestion, exhaust pollution, and road accidents constitute serious hazards.

In cultural terms, while globalisation is seen by some as a threat, particularly in relation to the cultural identity of younger generations, this must be tempered by the recognition that Bangladesh has a strong sense of cultural heritage. Bangladeshi art and literature continue to flourish and there appears to be a robust set of organisations and institutions to support this.

The patriarchal culture of Bangladesh shows signs of both change and resistance to change. In many ways women and younger people remain subordinated to the dominance of men and older people. Households without an able-bodied adult male continue to be disproportionately represented amongst the very poor, and are additionally vulnerable in social, political and physical terms. Laws and social practice regarding marital and property rights, wages and rights over income, consumption, access to education and health care continue to produce high levels of inequality between women and men. Sexuality in particular remains an area in which women are subject to severe social control throughout their reproductive years. While this applies to all women, those without a husband are especially vulnerable to social censure and multiple forms of harassment. The levels of domestic violence in Bangladesh continue to be reported as high. Even though the practice of the dowry has been declared illegal, dowry related abuse and murder persist at shocking levels, and the incidence of acid attacks on younger women features regularly in news reports. Contrary to all this, the gender culture is beyond a doubt significantly more open than it was a generation ago. The scope for women's participation in the labour market has noticeably increased in both rural and urban areas. Women's mobility and access to contraception, credit, health care and education have significantly improved, as has their representation in the political system at both the local and national levels.

The significance of Islamic political groups in Bangladesh has been a feature of the social, cultural and political landscape in the 1990s. Formal political parties spearheaded by the Jamaat i Islam have become an increasingly important part of the political balance in the country. Fundamentalist sections of groups have been particularly prominent in their opposition to the programmes of the more secular development NGOs in Bangladesh. In many rural areas strong Muslim values remain an important factor in many people's lives and fundamentalist groups have a considerable groundswell on which they may be able to draw.

2.5 Politics and Governance

Basic democracy was restored in Bangladesh in 1990. This has been followed by a complex period of political evolution and change which has opened up the political space within which discussions on human rights and democracy can take place.

Progress has been made in terms of consolidating the process of democratisation in Bangladesh, and this is most evident in the electoral arena. Parliamentary elections were held in 1991 and 1996 and both were generally considered free and fair. In 1996, there was a record voter turnout (74% of the electorate), and an even more significant increase was registered in the number of women voting (Ahmad 1996). In 1997, local elections were held in Bangladesh and again these were judged free and fair, and the level of public participation was very high. Preparations for parliamentary elections in 2001 are well under way.

With the return to democracy, great emphasis was placed on the need for a comprehensive reform of public administration, but plans for this have given little results. The need for decentralisation and the reform of local government has been another area of substantial political debate throughout the 1990s. The link between communities and their elected representatives at the *Upazila (thana)*, Union and *Pourashava* levels is the foundation of the political system in Bangladesh and the

interplay between these levels and the wider national political system contain many of the keys to understanding the dynamics of the political system in Bangladesh and its role in the development of the country. Despite a great deal of discussion and statements of intent, however, very little meaningful decentralisation has taken place. Elected local bodies remain weak as instruments of grassroots democracy, and for development purposes they lack both human and financial capacity.

One of the most significant national political developments was the signing in 1997 of a peace treaty that brought an end to twenty years of conflict in the Chittagong Hill Tracts. Some progress has also been made in the efforts to establish the Office of the Ombudsman (guaranteed by the Constitution) and a National Human Rights Commission.

However, less encouraging signs are also to be found. A culture of intolerance and confrontation continues to pervade the political system. The most common political tactic has been for opposition parties to boycott parliament, and organised strikes (*hartals*) are used as a political tool to force the country to a standstill. Local government structures are used to control the allocation of resources, and therefore continue to be sites of rent-seeking and corrupt behaviour and practices (World Bank 2000d). Articulating these problems from local to national levels, there is increasing evidence of inefficiency and corruption within the judiciary and law enforcement agencies (Verulam Associates 2000b).

Despite this, Bangladesh has a vibrant civil society that includes community-based organisations, development NGOs, professional bodies, media, think tanks and rights-based organisations. There is an increasing interest in and acknowledgement of the role these organisations can play as agents of change in Bangladesh. The rise of development NGOs in Bangladesh has been remarkable. Their sheer number and the range of activities they undertake have increased substantially since the 1980s, and this has made the NGO

community in Bangladesh one of the most sophisticated in the world. It is dominated by a very small group of large NGOs that employ professionally trained and highly qualified staff and command substantial economic assets (Thornton *et al* 2000).

2.6 Donors and the International Community

Bangladesh receives around 1.6 to 1.8 billion US dollars per year in international assistance, including humanitarian aid. Although this is a significant part of the total international aid in the world, it represents only around 12 to 15 US dollars per capita/per annum. This is relatively small when compared to some of the least developed countries in Africa (in 1997, Mozambique received twelve times more per capita than Bangladesh) and in Asia, where countries like Cambodia, Laos, Sri Lanka and Vietnam all receive far more aid per capita than Bangladesh.

Financial aid dependency has fallen dramatically in recent years. In the early 1990s the government's development budget was almost totally dependent on aid, but now that dependence has been halved. Today, aid inflows are of the order of 4% of GNP, compared to almost 10% in the late 1980s.

The major donors in Bangladesh are the World Bank (IDA), Asian Development Bank (ADB), the European Commission, UK-DFID, Japan and the USA (USAID). Together they account for two-thirds of total aid. All of the major donors have poverty reduction or alleviation as the main objective, which is also in line with the GoB's own long-term vision.

There are elaborate mechanisms for co-ordination amongst donors, and between donors and the GoB. The pinnacle of these is the annual meeting of the Bangladesh Development Forum (BDF). This normally takes place in Paris and is convened by the World Bank. The forum is supported in Bangladesh by the Local Consultative Group

(LCG), which is an arrangement for more regular communication between all donors and the GoB. The LCG also constitutes thematic sub-groups.

The Bangladesh Like Minded Group (LMG) of donors historically has played a prominent role in the development discourse between the GoB and the donor community. Comprising Canada, Denmark, the Netherlands, Norway and Sweden, this group of donors has and continues to collectively express its own considered views on development in Bangladesh. In the 1980s the LMG was central in challenging the discourse hegemony of the World Bank and with the support of the GoB played an important role in making poverty a key issue in relations between the donors and the government. The LMG continues to make a joint statement to the annual BDF.

One of the major issues to emerge in the dialogue between the donors and GoB in recent years is corruption. The BDF in 2000 debated "Governance", and on behalf of the LMG, Norway delivered a statement on corruption as an obstacle to development, especially for the poorest. During 2000, the World Bank also prepared a comprehensive and hard-hitting report on corruption in Bangladesh (World Bank 2000d) which has provoked strong reaction from the GoB.

Alongside these developments there are increasing calls for a more strategic approach by the GoB to its development strategy, particularly in respect of the poverty reduction objective. Efforts have been made to stimulate the production of a Comprehensive Development Framework and Bangladesh has been asked to produce a Poverty Reduction Strategy Paper by 2002. At the sectoral level there is considerable discussion amongst donors and with the government of sector-wide approaches. As of yet only the health sector has what can be described as a sector-wide approach and there remains, not least amongst donors, considerable diversity in understanding what sector-wide approaches should comprise.

2.7 Poverty

This chapter started by noting a sense of cautious optimism about the prospects of Bangladesh, but this must be tempered by recognition of the continuing plight of large numbers of poor people and the relatively disappointing effects of a good economic performance during the 1990s on poverty reduction. According to recent estimates, the incidence of income-poverty declined at a rate of around 0.8% per annum for the first half of the 1990s (BIDS 2000, Wiig 2000). For the second half of the decade, when growth has been stronger, the decline has reached around 1% per annum. For 1996 the estimated incidence of income-poverty was 44.9%.

Performance in terms of reduction on human-poverty measures has been better. The Human Development Index (HDI) is estimated to have increased at around 8.8% per annum during the 1990s. This has meant that this measure of human-poverty has declined from 61.3% at the beginning of the 1980s to around 41% in 1995–97. The catalyst for this impressive performance has been the changes in basic education (especially improvements in literacy rates) and in primary health care statistics. On either HDI or income-poverty measures, however, 50 million people in Bangladesh are still living in conditions of considerable deprivation.

Nor have the reductions in poverty been uniform throughout the country. Some areas, particularly in the North and in *char* and other

marginal areas, have done less well. Poverty reduction has also been greater in urban areas than in rural areas, although significant extreme poverty remains in urban areas.

The persistence of extreme poverty remains one of the most striking problems confronting Bangladesh. Using a newly calculated “extreme poverty-line” (based on 1950 calories per day as opposed to the 2280 calories per day for the standard poverty line), one group of observers confirms that more than 30% of the population lives below the extreme poverty line (BIDS 2000).

Another growing and related concern in Bangladesh is the increase in income inequality over the last decade. During the 1990s the rural Gini coefficient increased from 35% to around 38%, while the urban coefficient rose from 40 to 44.4%. This observation shows that good economic performances have not yet been translated into more substantial benefits for poor people. The failure of the government to capture increased revenues from growth and then to translate these into meaningful impacts for the poorest sections of society is viewed as a critical weakness of the development process (CPD 2000). Increasing income inequality at such low levels of income is argued to be a threat to further economic growth. Moreover, the fact that some people are becoming better off while many others remain dramatically unable to share the benefits of economic growth represents a threat to the existing social order and the very structures of governance themselves.

Box 1.1. Poverty in Bangladesh: Understanding and Interventions

Years of throwing money at the poorest districts in Bangladesh or of throwing money indiscriminately at “the poor” have resulted in relatively few successes in terms of poverty reduction. In a wide sense it is possible to argue that most money that goes into rural Bangladesh can be seen to feed into networks that act as a “safety net” for some poor people. But these networks are built on bonds of patronage. The clientelism that they foster and strengthen lies at the heart of the weaknesses in the economy and polity of Bangladesh. Poor people often find it difficult to participate freely in market relations because they are bound by dependencies on traders, money-lenders or landowners. They often cannot express their views on the oppressiveness of their patrons, let alone use their votes to dislodge them from their positions of political power at all levels of the Bangladeshi political system. This points to the challenge of addressing the reproduction of poverty in Bangladesh. If poverty is to be alleviated or reduced it is necessary to produce sustainable changes in the systems and arrangements which reproduce poverty from generation to generation.

Poverty in Bangladesh has been intensively researched by international agencies and academics. The country offers one of the most detailed literatures on poverty and has been at the forefront of international understandings of poverty. As a recent report notes:

“There appears to be a growing consensus among the co-operation agencies on perceiving poverty as a multi-dimensional concept. ... Despite differences in phraseology, most donors, in common terms, conceive of poverty as resulting from a lack of human, physical and financial capabilities to sustain livelihoods. Accordingly, the manifestation of poverty is reduced livelihoods or a lack of access to material, economic, social, political or cultural resources needed to satisfy basic needs.” (Bhattacharya & Titimur 2000, p5).

This approach to understanding poverty has strong roots in the work of Amartya Sen and has been meaningfully elucidated for the case of Bangladesh by a number of Bangladeshi scholars (c.f. Rahman & Hossain 1995). It is also the approach that underpins the “rural livelihoods” approach which increasingly is informing donors in their thinking on poverty reduction (Carney 1998).

In terms of thinking of policy options to achieve poverty reduction in Bangladesh, this analysis suggests a need to differentiate among poor people and to understand the ways poor people differ from each other and are located in different contexts. For different groups of poor people there will be different forms and different levels of appropriate interventions. Some may require targeted material assistance (for example, credit to destitute women); some may require the building of organisations which will support their struggles against local elite (for example, to ensure the implementation of GoB policy and help poor people gain control of *khas* land or ponds); some may require organisations to campaign for changes in attitudes or dimensions of the culture (for example, in the treatment and exclusion of disabled people). The increased sophistication in the dynamics of poverty analysis ensures that if poverty reduction targets are to be taken seriously by governments and development agencies, then their poverty policy formulation must become similarly sophisticated.

3 The Norwegian Aid Programme in Bangladesh 1995–2000

3.1 Introduction

This chapter reviews the Memorandum of Understanding (MoU) and the Country Strategy Paper (CSP) that underpinned it. It then looks at funding levels and trends of Norway's co-operation. The chapter concludes with a discussion of policies, processes and procedures that have been followed on the Norwegian side in defining the content of the development co-operation.

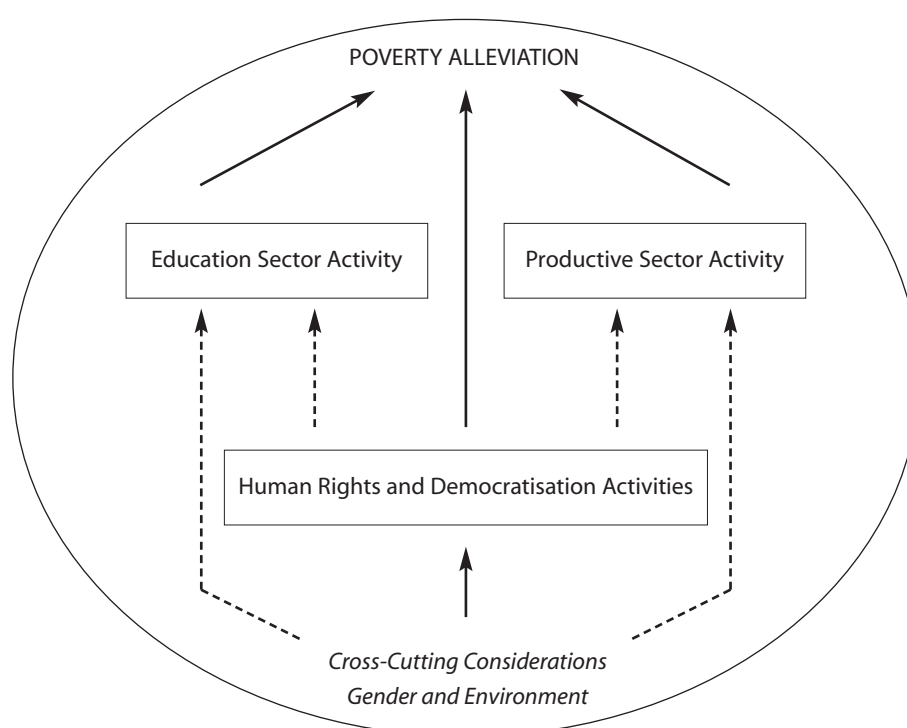
3.2 Norway and Bangladesh: The MoU and CSP

The MoU of 1995 is a tightly worded document of just over four pages (see Annex 3). Its wording was the product of intensive discussion between representatives of the two governments. The MoU is based on a Country Strategy Paper (CSP), prepared by a team from

Norway consisting of NORAD and MFA staff as well as academics familiar with Bangladesh. This was produced in close consultation with the GoB and leading Bangladeshi commentators and was commended by the GoB as one of the most effectively collaborative exercises they had experienced up to that time.

The MoU states that the overall objective of the co-operation is poverty alleviation. This was to be achieved in two main ways. Through the development of a good educational system (with special emphasis on primary education) and the promotion of increased employment and incomes among the poor sections of the population. Moreover, the co-operation was to seek to strengthen the democratic process in Bangladesh. Two cross-cutting themes of gender and environmental considerations were to inform the implementation of the co-operation.

Fig 3.1. Co-operation Strategy Bangladesh-Norway 1995–2000



In operationalising the MoU the co-operation has comprised three activity sectors: Education, Productivity, and Human Rights and Democratisation. The Education and Productive Sectors are seen as making the most direct contributions to the poverty objective. The Human Rights and Democratisation Sector is seen as contributing to the improvement of the governance context within which poverty alleviation is being undertaken, but is also seen as having the possibility of directly contributing to poverty alleviation. The cross-cutting issues of *gender equity* and *environmental sustainability* are intended to inform decisions and processes in all three sectors.

The MoU also set out three principles which were intended to govern the co-operation. *Recipient responsibility* is a principle of Norwegian policy that seeks to ensure that the co-operation will be guided by the plans and priorities of the recipient government. The principle of *concentration* arises in the strategy paper, where it is argued that by focusing aid on fewer areas it will be possible both to simplify the administration of development aid and improve its quality. This is a recognition that as a small partner with limited capacity, Norway had been overstretched. The principle of *co-ordination* is outlined in the MoU as a means of bringing greater coherence and integration to the programme. What is not made clear in the MoU but is discussed in more depth in the CSP is that co-ordination is a multidimensional principle. It is seen from the Norwegian side as co-ordination: within the programme of co-operation in Bangladesh, more widely with Norwegian aid and agencies, in relation to other donors, and finally both with and within the GoB.

The CSP is a well argued, if ambitious document. It is informed by a good understanding of development processes in Bangladesh and frankly addresses co-operation weaknesses on both the Norwegian and

Bangladeshi sides. Drawing on a recurrent theme in reviews of Norwegian Assistance to Bangladesh, it is particularly strong on the need to strengthen development administration capacity on the Norwegian side (CMI 1986). This was seen as involving not just the capabilities of individuals as they work in Bangladesh, but the longer term institutional memory of Norwegian assistance and the co-ordination within it. It particularly highlights the relations between the bilateral and multilateral dimensions of Norwegian aid as an area of weakness.

The CSP was also a radical document for its time, proposing a substantial reorganisation of Norwegian thinking and action with respect to Bangladesh. It proposed the phasing out of support to Population and Health, which for years had been an area of Norwegian priority support. It recommended Education as a key sector of involvement for poverty reduction, and yet Norway had hitherto little experience in the education sector in Bangladesh.

3.3 Financing Levels

The financing level of the co-operation programme with Bangladesh must be seen in the context of what has been happening to Norway's overall bilateral aid during the 1990s. Table 3.1 shows that an ever smaller share of bilateral aid has gone to the main partner countries, of which Bangladesh is one. The absolute level of funding for Bangladesh has been fairly constant, hovering between NOK 225 and 267 million, but dipping to a low of NOK 161 m. in 2000. As a share of Norwegian aid it has fallen from around 5.4% in 1993 to a little over 3.6% in 1999. Looking in more detail at the funding for Bangladesh (see Table 3.2), it is noteworthy that the country-frame resources have fallen consistently over the period of co-operation. In real terms, country-frame resources have fallen by between 20–25%.

Table 3.1. Aid to Bangladesh as Share of Norwegian Aid

(disbursements, NOK m)

	1993	1994	1995	1996	1997	1998	1999	2000
Total bilateral aid	4,388	5,544	5,451	5,745	6,095	6,723	7,323	n.a.
Main partner countries	2,010	2,510	1,962	2,088	2,148	2,159	2,096	
Share to main partner countries	45.8%	45.3%	36%	36.3%	35.2%	32.1%	28.6%	n.a.
Share to other countries and regions	37.1%	45.3%	46.5%	47.2%	47.6%	43.9%	49.7%	n.a.
Share to non-country specific	17.1%	15.9%	17.5%	16.5%	17.2%	24%	21.7%	n.a.
Bangladesh	236.33	259.12	262.11	254.76	228.89	225.40	266.48	161.65
BGD as share of total	5.4%	4.7%	4.8%	4.4%	3.8%	3.4%	3.6%	n.a.
BGD as share of main partner countries	11.8%	10.3%	13.4%	12.2%	10.7%	10.4%	12.7%	n.a.

Source: NORAD "Norsk bistand i tall" ("Norwegian assistance in figures"), annual editions 1995–2000

Figures and percentages are rounded.

n.a. = not available

3.4 The Structure of Norwegian Funding

As Table 3.2 suggests, over the period of the co-operation the structure of funding has been elaborate. It has involved a range of different budget lines, each with their own particular policy rationale and different lines of allocation and management. NORAD is responsible for managing the majority of funding through the bilateral aid programme, which mainly comprises the country-frame and regional allocations. During the period it has also included the declining or defunct special allocations (gender, the environment, cultural activities, HIV/Aids) and NGO funds (a general allocation for Norwegian NGOs managed from

Norway, and an allocation for Bangladeshi NGOs managed by the embassy). The Ministry of Foreign Affairs has been responsible for multi-bilateral aid through UN agencies and development banks as well as humanitarian aid. The MFA has now decided to phase out project support (multi-bi) and instead fund specific programmes as part of its strategy to encourage UN agencies and banks to mainstream key issues. The result will be that the ILO, for example, may receive general support for child-labour activities, but the ILO will decide where the projects will be. In support of private sector initiatives, Norwegian firms could access four different kinds of support.

Table 3.2. Norwegian Aid by Budget Allocation item, 1995–2000

(disbursements, NOK '000)

	1995	1996	1997	1998	1999	2000
Country frame assistance	171,464	162,392	151,089	150,735	147,624	103,359
Regional allocation	500	16,162	2,435	9,458	7,864	13,804
Special allocations (1)						
<i>Gender and development</i>	1,505	1,500	1,112	727	253	1,550
<i>Environmental activities</i>	1,430	224	310	182	27	0
<i>Cultural activities</i>	1,890	1,122	2,069	1,655	1,741	419
<i>HIV/AIDS activities</i>	1,272	764	0	0	0	0
NGO allocations (2)	38,059	28,827	26,639	25,203	24,423	24,688
Private sector support (3)	14,211	12,071	35,239	20,482	79,030	2,458
TA, consultancy fund	1,984	2,109	620	253	637	1,541
Research, training	1,157	387	1,325	2,876	1,250	419
Debt relief	15,000	20,000	0	0	0	0
Multi-bilateral/UN	4,463	2,585	3,855	4,247	2,902	0
Humanitarian aid	9,089	6,517	4,163	9,402	558	9,381
Refugees in Norway	90	100	129	180	168	4,030
Total	262,114	254,760	228,985	225,400	266,477	161,649

Source: NORAD "Norsk bistand i tall" ("Norwegian assistance in figures"), annual editions 1995–2001

1. These are global allocations which each country much compete for and which then are allocated from Oslo

2. This includes allocations to Norwegian NGOs in Norway and the local allocation managed from Dhaka

3. These programmes are managed from Oslo and directed towards Norwegian private companies

The country frame and regional allocations are negotiated during the annual consultations between the two partners. The programming of the other resources is generally decided in other fora and only summary details on main activities are recorded as part of the agreed minutes. This provides the Bangladeshi authorities with an overview of total resource availability.

Norway channels a large share of its bilateral aid through NGOs. In 1999, about NOK 2.23 billion of Norway's aid was handled by Norwegian or indigenous NGOs. Of this total, less than 7% went through indigenous NGOs -

the remaining 93% was handled by Norwegian NGOs. In Bangladesh, however, local NGOs handle larger resources than the Norwegian ones due to the large and vibrant NGO community (Table 3.3).

The overall trend in NGO funding had been downward, from a total of NOK 48 m in 1995, to NOK 30 m in 1999, but this recovered to NOK 44 m in 2000. The reason for the decline throughout most of the period was the phasing out of involvement in the health sector and the withdrawal from major NGOs such as GSS and BRAC.

Table 3.3. Assistance to and through NGOs to Bangladesh, 1995–2000

(disbursements, NOK '000)

	1995	1996	1997	1998	1999	2000
Total NGO Allocations	38,059	28,827	26,639	25,203	24,423	26,688
Norwegian NGOs	12,752	10,834	11,236	10,506	10,424	11,688
Bangladeshi NGOs	23,999	17,575	15,403	13,646	13,999	13,000
Regional/global NGOs	1,308	418	0	1,051	0	0
Other NGO Managed Funds	10,010	9,728	7,865	8,264	5,231	19,332
Share of total NGO Funding	20.8%	25.2%	22.8%	24.7%	17.6%	n.a.
Norwegian NGOs	6,062	6,577	3,106	5,714	25	9,181
Bangladeshi NGOs	3,573	3,151	4,519	2,550	4,848	10,151
Regional/global NGOs	375	0	240	0	358	0
NGO funding as share of all Bangladesh funding	18.3%	15.1%	15.1%	14.9%	11.1%	27.2%
Total NGO Funding	48,069	38,555	34,504	33,467	29,654	44,020

Source: NORAD "Norsk bistand i tall" ("Norwegian assistance in figures"), annual editions 1995–2001

Table 3.4 shows that activities which have been classified as relevant to women make up a large share of total aid to Bangladesh. The special gender allocation has now been ended but,

aside from some fluctuation, a significant proportion of activities in Bangladesh continue to be classified as being relevant to women.

Table 3.4. Gender and Development Activities, 1995–2000

(disbursements, NOK '000)

	1995	1996	1997	1998	1999	2000
Number/Value of Activities						
Gender relevant	17 / 76,429	25 / 83,627	23 / 43,350	20 / 27,360	inapplicable	inapplicable
Gender integrating/significant	5 / 83,038	9 / 64,842	7 / 43,893	3 / 4,097	29 / 14,567	30/11,120
Gender focused/principal	27 / 16,334	21 / 14,100	16 / 31,173	13 / 30,246	17 / 89,040	19/60,579
Total	49 / 175,801	55 / 162,569	46 / 118,416	36 / 61,703	46 / 103,607	49/71,699
Share of BGD programme	74.39%	62.74%	45.18%	24.22%	45.97%	44.02%
Sector Focus of Gender and Development Activities						
Number/Value of Activities						
Human rights/democracy	6 / 3,361	9 / 2,728	12 / 3,837	9 / 3,002	10 / 3,961	16/6,905
Education	8 / 34,532	8 / 47,135	4 / 36,740	5 / 35,648	5 / 80,541	7/52,816
Health	9 / 43,2511	12 / 43,301	10 / 23,916	6 / 2,304	8 / 8,036	4/762
Women in Development	19 / 62,175	19 / 24,632	10 / 5,695	7 / 10,468	14 / 6,173	10/4,596

Source: NORAD "Norsk bistand i tall" ("Norwegian assistance in figures"), annual editions 1995–2001

Note: Up to 1998, NORAD used a three-tier classification, with increasing gender relevance: "relevant", "integrating" and "focused". As of 1999, this was changed to two classes: "significant" and "principal". These are not identical classifiers, but for purposes of this analysis, they have been seen as substantially the same.

3.5 Sectoral Distribution and Concentration

The 1995 MoU sets out to restructure Norway's development co-operation by focusing on fewer fields. The picture that emerges from an analysis of official statistics is ambiguous with respect to how successful concentration and focus have been. What is clear is that support

for health was quickly phased out, while support for education increased rapidly. Health took around 17% of the resources in the first two years after 1995 but was reduced to less than 1% by 1999. Education saw its share more than double, from around 16% to over 34% during the same period.

The principle of *concentration* suggests that we should expect to see significant change in the composition of Norwegian support between 1995 and 2000. The CSP argues that for the administrative burden to be reduced, the number of smaller activities should fall and the average disbursements of the fewer but larger activities should increase. The programme has concentrated on the three main sectors, but within each of these there has been a diverse range of activities. This has been recognised by the embassy and a process of further concentration and rationalisation has been underway over the last few years. Each of the three sectors will be examined in more detail in the subsequent three chapters.

An examination of the aggregate figures suggests that major factors in the ongoing programme fragmentation have been the special allocations and the NGO fund. The regional allocation funded one activity in 1995 and four in 1996, all focusing on democratisation and human rights. In 1999, this had increased to twelve activities in five DAC sectors. This included: cultural activities, an AIDS prevention programme, and a shrimp research project. While most of the regional funding still goes for democratisation and human rights, the focus is becoming more dispersed.

Table 3.5. Concentration Measures, Bangladesh Country Programme

	1995	1996	1997	1998	1999	2000
Number of Activities:						
Total number (1)	118	114	114	95	105	75
No. disbursing over NOK 1 m	31	24	24	24	23	23
Country Frame:						
Number of activities	14	12	13	7	11	7
Average disbursements (NOK m)	12.25	13.53	11.62	21.53	13.42	14.77
Number of DAC sectors	6	7	7	4	7	5
Number of DAC sub-sectors	13	12	9	5	8	7
Regional Allocation:						
Number of activities	1	4	9	8	12	24
Average disbursements (NOK m)	0.5	4.04	0.27	1.18	6.55	6.86
Number of DAC sectors	1	1	2	3	5	7
Number of DAC sub-sectors	1	1	2	3	5	11

Source: NORAD "Norsk bistand i tall" ("Norwegian assistance in figures"), annual editions 1995–2001

(1): "Number" refers to how many signed agreements are disbursing that year. One project may contain several agreements

Other insights into focus and coherence are provided in Table 3.5. This shows that there has been a decrease of around 10% in the total number of activities funded each year up to 1999. The reduction in the number of activities has accelerated into 2000. This table must be read with some caution as it refers to agreements against which any disbursement has been made and therefore includes activities which are being wound-up or are in preparation. From the embassy's perspective, they now see themselves as having reduced the range of activities to a portfolio of around 50 "ongoing"

activities. A small number of further activities are managed from Oslo. The number of large-scale projects, with disbursements over NOK 1 m, fell from 31 in 1995 to 23–24 in subsequent years. The number of activities funded under the country frame has fallen from 14 to 11, but the average disbursement level has remained constant at around NOK 12–13 m. The regional allocation, however, has funded a growing number of activities over the period, with a large jump in 2000.

As Table 3.5 shows, the number of DAC sectors funded over the country frame has remained more or less constant, but the number of sub-sectors has decreased. In NORAD's central reporting of official statistics to DAC, the impression is given that the Bangladesh programme involves a diverse range of activity. In part this reflects the mismatch between DAC and Norwegian classification systems, but it may also be interpreted as indicating that what has been included in the three areas within the Norwegian programme is quite heterogeneous. This is particularly apparent in the productive sector activity.

3.6 Processes and Procedures

As indicated above, one of the main intentions of the principle of *concentration* was to reduce the administrative burden on embassy staff, thus making it possible for them to increase the quality of their engagement with the programme. In this concluding section of this chapter we will look at the aid management procedures for the programme and projects in Bangladesh.

The aid management procedures are governed by a Programme and Project Cycle Management manual (PPCM) which is a demanding document (NORAD 1998). The annual cycle begins in November with the preparation by the embassy of the Annual Plan of Operations (*Virksomhetsplan* – VP), which contains an analysis of that year's achievements, plans for the future and budget proposals. In a subsequent elaborate web of communications, NORAD, Oslo and the Regional Desk of the MFA comment on the VP. In its annual Allocation Letter (*Tildelingsbrev*) to NORAD, in February, the MFA then provides overall guidelines for the bilateral activities based on the embassy's VP, including additional policy directives that originate in the political system in Norway. The annual cycle is crowned by an annual consultation with the local partner government. This meeting is attended by Asia Region staff from Oslo as well as by more senior members of the GoB.

All the staff in the embassy, including Bangladeshi staff, are engaged in this programme process. The PPCM sets out a clear project cycle that is highly formalistic, emphasising the development and maintenance of a contractual arrangement: Negotiation, Audits of Accounts, Annual Meeting Dialogue. The catalyst for this structure is the principle of *recipient responsibility* in which Norway seeks to require its partners to develop their own projects, agree a contract, and then monitor the extent to which the recipient is upholding the contract. This approach is also reflected in the extent to which Quarterly Meetings with the Economics Relations Division (ERD) of the GoB are focused upon the chasing-up of reports and the pressing of audit queries.

Broadly speaking, the ERD Quarterly meetings and the basic project cycle arrangements are the means whereby the embassy staff and NORAD keep track of project performance. These dovetail with the wider VP process and the Annual Consultation Meeting which are the two main mechanisms for checking the implementation of the co-operation as set out in the MoU.

The need for tight management procedures is not questioned and it is recognised that the tightening-up of the project management procedures by NORAD arose after a number of serious concerns had been raised by the Auditor General. More specifically, in Bangladesh concerns had been raised about the management of the programme and a major Financial Management Review was conducted in 1995. This resulted in the post 1995 management team(s) in Dhaka being given a major "informal", but not insubstantial objective of "improving the financial management" of the embassy. Together, however, these sets of procedures constitute a demanding and time-consuming process for staff at the embassy. Looking at a calendar of the year, and when one adds to this the cycle of annual and semi-annual meetings for each project, which are demanded to feed the process, it appears that little time is left to substantially consider the content of the programme.

We have noted above that there has been a reduction in the number of activities which staff are dealing with at the embassy, but the view of this evaluation is that the absolute number of activities remains large in relation to the staff complement at the embassy. Although the process of *concentration* has been speeded up towards the end of the period, it still appears to be less substantial than what had been

envisaged in the CSP. Putting this together with the demands of the project and programme management system, one is left with the impression that there is little time to engage in more innovative and creative discussion with partners in Bangladesh on how the co-operation might evolve and improve in its effectiveness. This is a theme to which we will return in the conclusion of this report.

4 Support for the Education Sector

4.1 Introduction

The specific objective in the MoU for support for the education sector was: *the development of a good educational system, with special emphasis on primary education.*

The document then proceeds to express a further set of sub-objectives:

- increased participation of disadvantaged groups, especially girls
- improvements in the quality of teaching
- strengthened relationship between education and paid employment, especially for girls and young women
- strengthened institutional competence and capacity at central and local levels

4.2 Education in Bangladesh

Education in general has received growing emphasis in the plans of the Government of Bangladesh over the last decade. Investment in education has high regard in Bangladesh and the commitment to primary and mass education is enshrined as a priority for the GoB in Article 17 of the constitution. At a policy level education has been highlighted as one of the most important forms of investment for the reduction of poverty and the creation of employment. The GoB reinforced this position by making an international commitment to primary education and literacy goals in the wake of Jomtien 1990, and subsequently re-affirmed these in the Dakar meeting in 2000.

In recent years this policy emphasis has been accompanied by increased GoB spending in the education sector, and in primary education in

particular. As Table 4.1 shows, there has been a sustained trend of growth in both revenue and development expenditures on primary education. Between 1995/6 and 1996/7 the share for primary education of the total revenue budget rose from 8.6% to 18.5% and in the development budget from 6.8% to 13.7%. Although improving, it should be realised that the level in Bangladesh is still comparatively low.

Thus far, Bangladesh has placed the greatest emphasis on the quantitative provision of education and has had success in this regard, with a gross enrolment rate of 97% and almost parity in the male to female ratio (PMED 2001). In its most recent policy statements the GoB has decided to increase the primary education cycle from five to eight years, phasing this in by 2010 (Ministry of Education 2000). Concerns about the possible impact on the quality of education are recognised and these also need to be addressed if there is to be meaningful learning and sustained attendance at school.

4.3 Norwegian Support to the Education Sector in Bangladesh

Between 1995 and 2000, Norway and Bangladesh signed three separate and major agreements for education: the Female Secondary Education Stipend Project (FESP 2), 1997 – 2000 for NOK 100m, the Non-Formal Education Project (NFEP 2), 1997 –2001 for NOK 50m, and the Primary Education Development Project for Quality Improvement (PEDPQI), 1998 – 2002, for NOK 285m. The ToR for this evaluation required that the impact and effectiveness of these projects in particular be explored, but we have also taken into account other activities in the education sector (for example, by NGOs) as well as the predecessors to these projects.

Table 4.1. Development and Revenue Education Sector Spending, 1995–2000

(Figures in million BD Taka)

	Primary	Secondary	Madrasah	Technical	Total
1995–96					
Total Spending	18,506	12,40	2,144	621	33,672
<i>Dev't. Budget (%)</i>	48.48	44.4	5.88	28.13	43.92
<i>Revenue Budget (%)</i>	51.52	55.5	94.12	71.87	56.08
1996–97					
Total Spending	19,121	12,633	2,588	1,082	35,424
<i>Dev't. Budget (%)</i>	47.80	44.43	10.82	58.74	44.23
<i>Revenue Budget (%)</i>	52.20	55.57	89.18	41.26	55.77
1997–98					
Total Spending	18,025	12,674	2,481	725	33,905
<i>Dev't. Budget (%)</i>	42.92	38.27	7.03	38.37	38.46
<i>Revenue Budget (%)</i>	57.08	61.73	92.97	61.63	61.54
1998–99					
Total Spending	9,213	5,362	179	630	15,384
<i>Dev't. Budget (%)</i>	100.00	100.00	100.00	100.00	100.00
<i>Revenue Budget (%)</i>	n.a.	n.a.	n.a.	n.a.	n.a.
1999–00					
Total Spending	24,417	20,916	244	1,266	46,843
<i>Dev't. Budget (%)</i>	45.37	29.08	100.00	64.80	38.91
<i>Revenue Budget (%)</i>	54.63	70.92	0.00	35.20	61.09

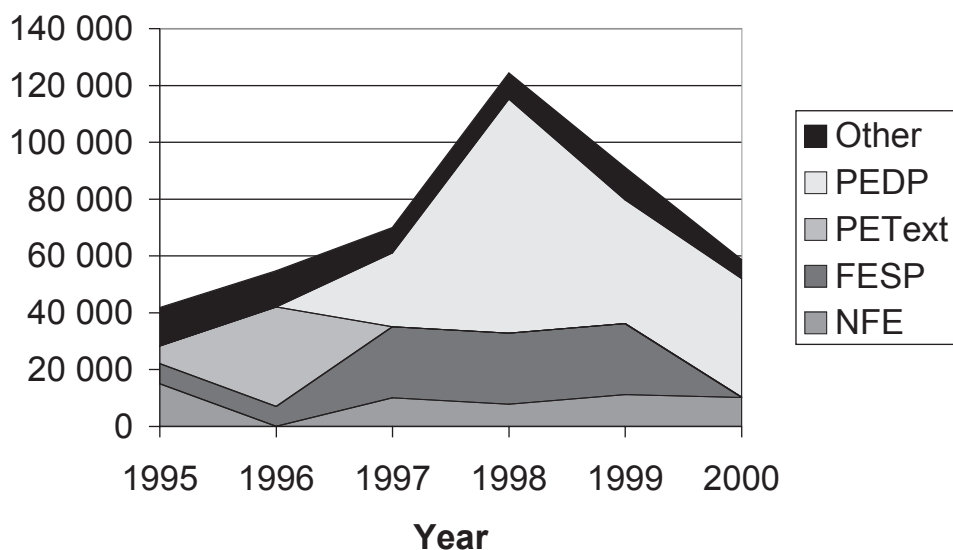
Source: GoB, Ministry of Education Statistics.

Notes:

1. Primary Sector includes primary education, non-formal education and primary Madrasah education.
2. Secondary Sector includes secondary education and higher secondary education.
3. Madrasah indicates only secondary level Madrasahs.

Fig 4.1. Education Budget Expenditure by Project

(NOK '000)

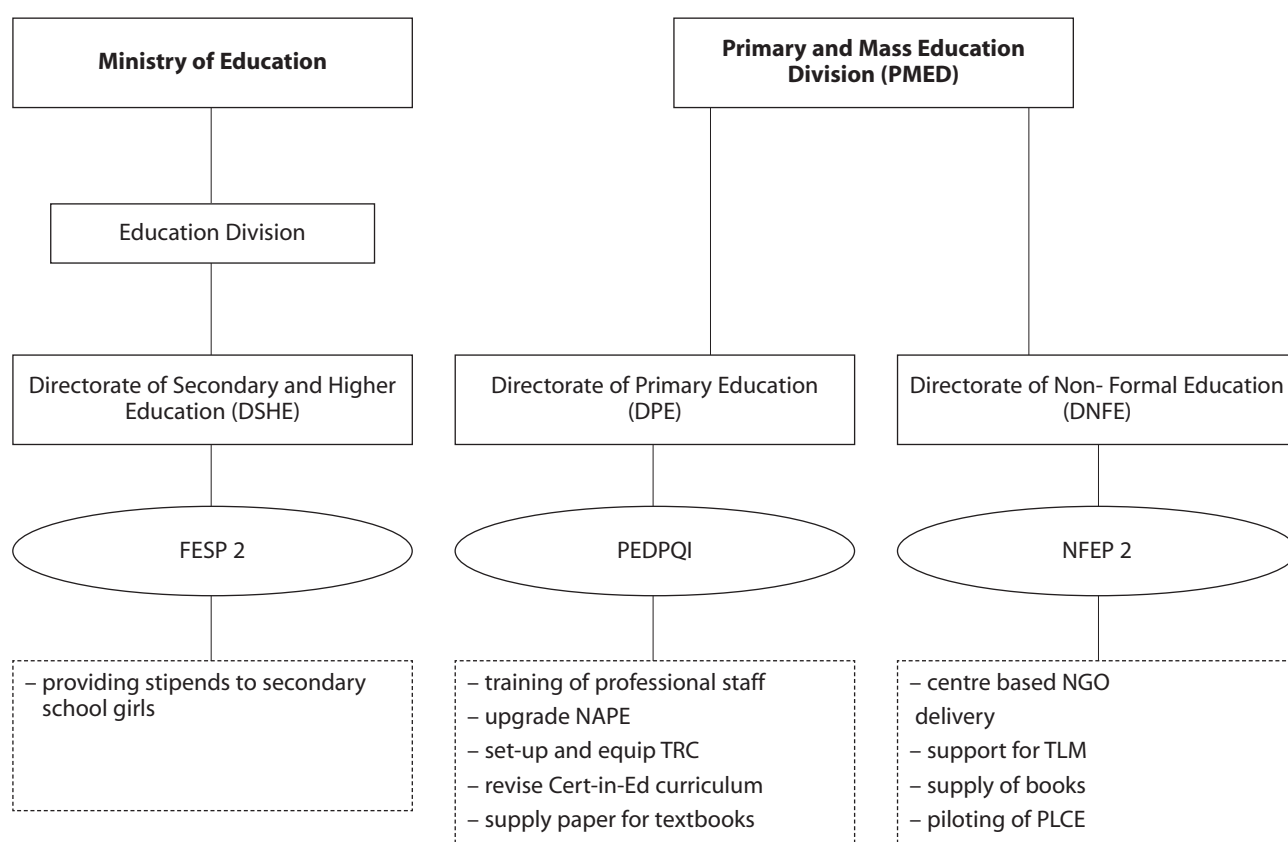


Source: NORAD "Norsk bistand i tall" ("Norwegian assistance in figures"), annual editions 1995–2001

Norway is a relative newcomer to the education sector in Bangladesh. The CSP's rationale for moving to provide support for the education sector was that this is a way of addressing a key dimension of poverty in Bangladesh. Prior to 1995, the experience Norway had in the sector was through the provision of paper for the production of textbooks, INFEP, the Special Education Project and pilot FESP projects. INFEP became the NFEP 2 and the FESP Pilot Project resulted in FESP II. The internal debate in NORAD on the move into education recognised the relatively weak starting position from which to understand the system and the lack of professional expertise in the development of materials and human resources in the education sector in Bangladesh.

As part of its general support to the education sector, in 1996 NORAD tendered for the founding of a new resource centre in Norway. This contract was won by Oslo College and DECO/NCG (a consultancy group and Norway College) and LINS (Lærerhøgskolens Internasjonale Senter) was established. The purpose of LINS was to provide consultancy services in educational planning for NORAD and the embassies in its principal partner countries. It was also intended to become a focal point, or conduit, for professionals from all over Norway who are involved in education and development issues.

Fig 4.2. The Structure of the Education Sector and Norwegian Support in Bangladesh.



The structure of the Ministry of Education in Bangladesh is complex (see Fig 4.2). As this reveals, Norwegian assistance for education lies within the purview of both the Directorate for Secondary and Higher Education (DSHE) and the Primary and Mass Education Division (PMED). Within PMED the NFPE2 deals with the Directorate of Non-Formal Education (DNFE) and the PEDPQI involves a range of components within the Directorate of Primary Education (DPE). This presents a much more complex and demanding administrative arrangement than the argumentation of the CSP and MoU suggested.

The Female Secondary Education Stipend Project, Phase 2 (FESP 2) distributes stipends for secondary education to girls. NORAD, together with the World Bank and ADB, provides funds which are channelled through the DSHE and are paid to individual girls through bank accounts. The second phase is drawing to a close and the GoB is in discussion with donors on the funding of a third phase, which will draw on the experience of the World Bank and ADB funded projects.

Monitoring reports indicate that the FESP2 project has been highly effective in terms of increasing female enrolment and retention, although experience with the pilot FESP suggests that the precision of the data should be viewed with some caution (Sigvaldsen *et al* 1999, PIU-FESP2 2000). These reports also warn of the negative effects of significant increases in class sizes with concomitant implications for the quality of teaching and learning processes. A study of the impact of the pilot FESP, in terms of its intended longer-term socio-economic impacts (later marriages, lower fertility, higher female wages etc.) was generally positive, although the reliability of the study is open to question (Pathmark Associates 2000).

The NFEP 2, in which NORAD is a partner with SIDA and the GoB, builds on earlier experience with INFEP to support the GoB's non-formal education programme, under the DNFE. Some 8.2 million non-literates in 31 districts are targeted using three approaches: the Total

Literacy Movement (TLM), a Centre-Based Approach (CBA), and the free distribution of literacy primers. A quantitative gender equity requirement of 50% all-female literacy centres is part of the project. NFEP 2 includes an experimental Post-Literacy and Continuing Education (PLCE) component which is intended to empower neo-literates for greater economic and social participation. Both CBA delivery and PLCE trials are entrusted to NGOs selected by GoB on the basis of capacity criteria. Monitoring of the project by various agencies, in particular the Swedish funded Technical Assistance team, suggests that considerable quantitative success in the project is tempered by problems of drop-outs, low achievement and literacy retention levels. Some concern is also expressed over the lack of training support for NGOs selected to implement CBA and PLCE (Swedec TA 2000a, 2000b, 2001, FREPD 2001).

The Primary Education Development Project for Quality Improvement (PEDPQI) is a component of a wider Primary Education Development Programme (PEDP) supported by the World Bank, ADB, DFID, KFW/GTZ and UNICEF. The PEDPQI itself is a multifaceted project requiring considerable integration, co-ordination and sequencing of various elements within NORAD and between the other donors. Pivotal to the whole enterprise is the development and involvement of the National Academy for Primary Education (NAPE). To date there has been no formal evaluation or mid-term review of the project, and this evaluation relies on observations of the annual and semi-annual reviews, plus the findings from its own fieldwork.

The complexity of inputs in this project, and particularly at NAPE, have raised a number of serious concerns. The slow speed at which the project has progressed has been criticised in the annual review meetings. Concerns have focused on: problems in moving NAPE towards autonomous status, which is a prerequisite for transforming it into an apex institution, the plans for training teachers, and the up-grading of library facilities. There have also been problems with the development of the new

Certificate in Education curriculum, the appropriateness of the training provided for NAPE staff and other professionals, and the development of the research capacity at NAPE. Recently, the very poor response to the new senior posts advertised at NAPE has been a cause for concern, although it should be noted that they were advertised as temporary and not permanent positions.

4.4 Poverty Alleviation: Impact

The catalyst for the decision to enter the education sector was the general consideration of the link between education and its impact on poverty as outlined at the Jomtien conference. Thus the focus of Norwegian aid can be seen as broadly supportive of poverty reduction in line with Jomtien and post-Jomtien arguments, and Norwegian documentation is based on these arguments (Lauglo 1994, NORAD 1996).

Each project is in line with this broad approach, in that they are all generally targeted at an undifferentiated mass of “the poor”. Thus the NFEP 2 uses “illiteracy” as a category which overlaps that of “poverty” and FESP2 targets “girls” as a category which is intended to encompass the notion of “the excluded poor”. Similarly, PEDPQI focuses on rural *upazilas* and women teachers as a means of including “poorer” communities. All the projects, however, suffer from a lack of detailed thinking on who the poor people are within their broad target and what precise mechanisms the intervention will affect to alleviate poverty. For example, it is unclear who the target population of the FESP2 is. Since it only reaches those girls who have completed primary school, this almost certainly excludes girls from the poorest families. While it may still be possible to reach some poor families and to benefit girls who may have been “impoverished” within a gender-biased distribution of resources within families, much remains to be done to clarify its poverty alleviation role. As we have discussed earlier, a more differentiated understanding of the poverty of different poor people would better inform the more precise targeting of assistance. There is also a need for project outcomes to be

specified in terms of indicators that are explicitly linked to poverty alleviation, within the overall primacy of a gender-based focus. Without these, and more differentiated monitoring of the impacted population, the precise contribution of the projects to poverty alleviation cannot be adequately understood.

4.4.1 Client level

All three NORAD supported projects have different potential routes to impact the lives of poor people. FESP very directly seeks to get previously “excluded” girls into secondary education; the NFEP seeks to provide some of the poorest groups with literacy skills; and PEDPQI more generally is aiming to improve the quality of primary education so that it can better fulfil its stated function of being one of the government’s main instruments to tackle poverty. Evidence of impact on individual “clients” requires a system and level of detailed monitoring which most of the projects do not have. In gross terms, the quantitative data deal with output, indicating how many individuals have “gone through” the various programmes. Despite a study of the FESP pilot project and an evaluation of NFEP, at the routine level of management there is little detail in either quantitative or qualitative terms as to who these individuals are and what impact the programmes have on their lives.

In FESP2, for example, where the distribution of stipends is firmly in the hands of local elite, it is possible that the distribution of these resources is used to bolster the relationships that reproduce, as much as reduce, the poverty of the individual recipients (BRAC 1979, Jansen 1986, Devine 1999). The possibility of this is borne out by the fact that in the first phase of the FESP, there was a desire to restrict the disbursement of stipends to girls from the poorest families, but this provoked considerable local political opposition and was judged to be “administratively” too difficult. It is worth noting, however, that under the PEDP, financial and other support is being provided for the most needy, via School Management Committees. The experiences of this scheme could be

studied and considered in relation to any continuation of activities.

At a broader level, it has been noted that the FESP suffers from an inherent weakness as a means of reaching the poorest. Although the available data indicate that FESP has contributed to a massive expansion in female enrolment in secondary school, there are no data on the family backgrounds of the girls responsible for this expansion. This expansion of female participation may be an important objective in itself and may be an important component in a wider approach to reducing poverty in Bangladesh (for example, through the role of more educated mothers and inter-generational impacts), but in the short run, the possibility that FESP2 may be providing a subsidy to the middling poor means that some poorer groups are not benefiting from this spending in the education sector. World Bank data for Bangladesh (World Bank 2000c) indicate that benefits to the poorest strata from public spending on education falls dramatically between primary and secondary schooling.

Similar comments can be made about the NFEP in that although it makes a broad attempt to impact poverty, it does not include any specific targeting of the poorest people. Only in the loose identification of the illiterate as likely to be the most disadvantaged in society is there any poverty alleviation focus. Studies of NFEP 2 by the NFE-TA team emphasise the absence of data on the quality and effectiveness of literacy teaching and the post literacy and continuing education components, and suggest that the impact varies considerably between centres and even between individuals.

The NFEP 2 Mid-term Evaluation states that the “programme has had little impact on the employment and income of common people” (FREPD 2001, p.xxvi). However, given that the PLCE components are still ongoing, it may be premature to take this as a judgement of the impact. This report does record considerable social benefits accruing to neo-literates, however, particularly in relation to increased awareness and participation. It suggests that a

spin-off effect of the project may be to increase primary school enrolment rates as parents become more aware of the need for their children to go to school.

Support for primary education through PEDPQI lacks an explicit poverty alleviation focus. Although teachers are targeted from non-government primary schools mainly in rural areas, the *upazilas* selected are not necessarily the poorest, neither can it be assumed that non-government schools are necessarily serving the poorest children. Poverty alleviation has not been a major criterion for selection. While there is an argument that this project does not have a clear and direct client population, this does not obviate those involved from thinking through what the mechanisms being developed can be expected to contribute to poverty alleviation. These would then require verifiable indicators that might allow an assessment of the extent to which, albeit in the longer run, the project has contributed to poverty alleviation.

4.4.2 Organizational level

All Norwegian supported projects were designed to have organisational impact at various levels. Despite this, no clear statements were found as to how improvements in capacity and quality of organisations are to be judged. A number of issues can be raised here.

The development of an *upazila*-level structure for secondary education supervision is one of the consequences of FESP 2, with its shift in responsibility for project implementation and monitoring procedures from NGOs, in the earlier phase of the project, to an *Upazila* Project Officer (UPO) and support staff. Management training has been provided for the personnel and head teachers in the project schools. The post of UPO has not, however, been taken into the DSHE establishment and it appears that the potential for improved inspection and supervisory capacity at this level has not been fully realised. The Semi-Annual Report for 2000 indicates that further development of management and monitoring capacity is still needed (PIU-FESP2 2000).

NFEP 2 can be seen in the broader perspective of the strengthening of the DNFE and associated improved structures for non-formal education support, but its greatest potential contribution is at the local level. The establishment of DNFE indicates the GoB's commitment to NFE, but it has also tended to impose a top-down management approach that is contrary to the need for local adaptability in NFE (Swedec TA 2000a). Weaknesses in project design and implementation are identified as being at least partially responsible for variable impacts between different centres. There is also variable capacity in the implementing NGOs; there is often a long gap between the literacy and post-literacy components, and materials and courses may not be the best suited for particular local conditions (Swedec TA 2000a, 2000b, 2001). The NFE context in Bangladesh is one in which there is a governmental concern for systemic formalisation and the achievement of quantitative literacy targets. This has the potential to constrain attempts to improve the quality and immediate local relevance.

Monitoring reports from NFEP 2 indicate that much more training support is needed for Centre Management Committees and implementing NGOs, but this will only be effective in the context of a suitably flexible but supportive national infrastructure (Swedec TA 2001). As has been mentioned, there is a positive example of learning in NFEP 2 and the learning and collaboration between Government, donor and NGOs points to a potentially fruitful improvement in capability.

PEDPQI is fundamentally targeted at achieving organisational and systemic impacts, although it is still early to judge whether these are being achieved. The former requires a clearer picture of which parts of the DPE are to be impacted. Here the Human Development Resource Plan will be a guiding instrument. The slow pace of the project is a major reason for concerns over the capacity of the organisations involved, particularly the NAPE and the institutional network of the DPE at the local level.

4.4.3 Systemic level

Quantitative impacts are discernible for both FESP 2 and NFEP 2. The former has contributed to the equalisation of gender enrolment figures at secondary school and the latter has, on paper at least, helped in the campaign against adult illiteracy, especially for women. The impact study on the pilot FESP provided some insight into the potential systemic change that may arise from increased female participation in secondary education and it is important that this type of study be encouraged. The lack of qualitative data on the outcomes of NFEP 2 seriously qualifies any statement of its systemic impact. Any systemic impact in either NORAD funded project owes much to its position within a wider, concerted donor effort, and this should be borne in mind in future strategic decisions in the education sector.

At the system level, a number of concerns remain over the GoB organisation and strategic thinking for the education sector. Some donors have steered clear of this sector because they lack confidence in the government's management in the sector. In the Norwegian co-operation concerns continue to be voiced about the system of transfers at senior levels of the Bangladeshi civil service, and this is seen as an obstacle to the development of higher quality and more long-term partnerships.

As discussed above, negative impacts on systemic quality can also be attributed to FESP 2, and more generally quality issues in the education system are becoming a focus of concern. Improvement in quality is the specific aim of PEDPQI but, once again, it is too early in the project's life to judge its impact rather than its professed intention.

4.5 Principles and Processes

4.5.1 Concentration

Within the education sector, Norwegian assistance is spread across three areas of specialisation: primary education, secondary education and non-formal education. One effect of this is that it increases the number of

government offices and other organisations with whom the embassy staff must work. With only two members of staff dedicated full-time to education, there are doubts as to whether the embassy has sufficient capacity to manage this range of involvement effectively. There are also concerns about whether the dispersion of funds is sub-optimal.

Concentration does not necessarily mean focusing on a single specialist area, although this would reduce administrative complexity and demands. What is more important is that the assistance being provided has a clear conceptual focus. Although the MoU and the CSP attempt to offer this, there is still a lack of clarity in the argumentation presented in these documents. This has been exacerbated by the fact that the CSP in particular left the “operationalisation” of their intentions to embassy and GoB staff. In fact this operationalisation was in part pre-empted by the MoU which offered detailed sub-objectives. The result has been what appears to be a discontinuity between the intentions of the CSP and the actual practice in the programme. Running three major projects in relation to different parts of a complex Ministry of Education remains a challenging task.

4.5.2 Co-ordination

Serious attempts are being made to improve co-ordination among donors as evidenced by the revival and reform of the LCG Education Sub-Group. Government officials, however, continue to indicate some reservations about this and at this stage are not meeting with the LCG Education Sub-Group. Apart from this, the embassy recently has made a number of important efforts to initiate improved co-ordination in the education sector. This includes establishing a joint co-ordination group with the DNFE and a training co-ordination group in PEDP. Norway has also been prominent in recent initiatives to establish a sub-sector programme for the next phase of FESP.

Discussions with GoB on a sector-wide approach in education continue to be difficult. What has been reported as a rather heavy-

handed attempt by the World Bank in the mid 1990s to force the GoB to adopt this approach backfired. The failure to achieve a sector-wide approach at a crucial juncture in donor relations with the GoB in the education sector continues to have repercussions and any suggestion that points in such a direction is not looked upon favourably within the Ministry of Education.

Equally, however, there are problems on the donors' side as not everyone shares similar views on what a sector-wide approach entails, nor is everyone interested or capable of adopting such an approach. While there are promising signs at this stage, if a more holistic view of the education sector is to be adopted then this will have to be done slowly over the long term.

The 1996 Review of Norwegian Support to the Education Sector in Bangladesh (NORAD 1996) records how differences between the government and particularly its uneasy relationship with the World Bank delayed the whole PEDP process. This debate fundamentally focused on donors' concerns regarding the GoB's capacity to ensure quality improvement in such a wide-ranging development programme as was being proposed. Consequently a core programme within PEDP was identified for which foreign assistance would be allocated, conditional upon the full financial commitment of the GoB for this core of activities being honoured before any other components could be funded. The GoB nevertheless insisted that access to education was still an important priority and that it would continue activities such as its “Food for Education Programme”. The disagreement and delay prompted the recommendation from the Norwegian embassy to enter into a bilateral agreement, independent of any agreement between the World Bank and the GoB. The World Bank viewed this as Norway rushing into agreement and breaking ranks within the donor community, although both UNICEF and the ADB had by this stage signed separate agreements. The World Bank saw NORAD as having failed at that time to consult effectively with other donors and as lacking sufficient

expertise or experience in the education sector in Bangladesh to contribute adequately to the discussions at that stage.

Relations within the donor community in education have improved since that nadir. Norway is now working closely with a number of other partners including DFID and the LMG. The close working relationships in PEDP have benefited this process. Joint annual reviews have improved the capacity within the donor community to co-operate and co-ordinate activities.

Co-ordination between components of Norway's support programme for education is weak, essentially as a result of the poorly conceived concentration outlined above. Although various GoB representatives testified to good relationships with the Norwegian embassy, the need for Norway to deal with two divisions and three directorates inhibits coherence within the overall programme.

There are two problems related to co-ordination with NGOs. Firstly, the embassy itself has separate staff dealing with NGO projects and educational projects and there was no clear evidence of co-ordination between these two groups at the time of this evaluation mission. Since NGOs are massively involved in education in Bangladesh, this is problematic.

Secondly, problems arise from the relationship between the GoB and NGOs; the former tending to employ NGOs in much the same way as it would contract a construction company. The consequences of this can be seen for example in NFEP 2, where the GoB is using NGOs to develop and implement the PLCE components. In assigning NGOs to what is essentially a sub-contractual status, the GoB sees itself as having no responsibility for the development of NGO capacity. Indeed, the GoB argues that the criteria for selecting implementing NGOs ensure that they will have the necessary capacity. However, a lack of capacity amongst the selected NGOs in various important respects has been clearly identified by the joint TA Team for NFEP. Ideally, Norway

should be providing technical assistance to these NGOs, but this might be hindered by the administrative divisions within the Norwegian embassy and by the principle of recipient responsibility which should entrust project administration to the GoB.

4.5.3 Recipient Responsibility

Norway is faced with a dilemma in trying to fulfil its strategic aims while respecting the principle of recipient responsibility. The latter demands that it must respond to, rather than initiate project proposals. As a result, there is a danger in education that justification for project support will tend to be "retroactive", working backwards from the proposal to the CSP, to find statements under which it can be justified, rather than working forwards from the primary strategy aims to identify projects which justify support.

The interpretation of this principle appears to make it difficult for Norway to suggest, and even more so to participate in the design of projects that they might feel are better suited to the achievement of the objectives set out in the CSP and MoU. Despite this restriction, however, the tone of the Joint Annual meetings in the education sector and other formal meetings between the GoB and NORAD often seems to be one of a "calling to account" of the former by the latter, which would seem to be counter to the spirit of *recipient responsibility*. There is clearly a recognition of the need to reassess or review the principle, both at the embassy in Dhaka and in Oslo, so that greater emphasis can be placed on the mutual responsibility of partners. In this way the ownership of the project is squarely with the recipient, but the donor has the responsibility of offering its expertise, perhaps in the role of critical friend, in such a way that the best possible project is designed and resources used to support it are deployed to the best possible effect.

Even the current interpretation of recipient responsibility allows Norway to be much more specific in detailing the type and nature of projects it is interested in supporting and

therefore possibly gently moving the GoB towards the projects that have not been identified by it.

4.6 Cross-Cutting Issues: Gender and Environment

Gender is clearly an explicit consideration in both the design of projects and Norway's willingness to support them. In both targeting and impact monitoring, however, the primary indicators are limited to quantitative measures of female participation. There is clearly a need to go beyond this with a more thorough gender analysis of the education sector. At the client level this would look at changes in the quality of life of girls and young women first, and ideally boys and men as well. At the organisational level it would consider gender cultures in school (class and staff rooms), in education boards and other parts of the administration, and in the education curricula. Systemically, it would examine whether this has had any wider impact in the way girls and boys, plus men and women's rights and responsibilities, are thought about and practised in other institutions and society at large. The PEDPQI does make a specific provision for priority to be given to the gender aspects of teacher training and the selection of females for training. Indeed, a consultant was appointed to the NAPE to assist with this. However, it is too early to judge whether any impact from this can be discerned at the organisational and systemic levels.

There were no environmental considerations in any of the supported educational projects and no evidence of any environmental impact. There is some indication of efforts to include educational considerations in the NORAD-supported National Conservation Strategy Implementation Project 1 (see Annex 4). In this project an environmental education component was intended to develop training-course materials for primary and secondary teacher training courses. Whether these or efforts in the work of the PEDPQI have had any effect has yet to be established.

4.7 Points for Discussion

A number of positive features have emerged within the partnership that has been built up in the education sector. It is quite clear from discussions held with ministry officials, other donors and partners that Norway is highly regarded within the education community. This positive regard is due in some respect to the approach of recipient responsibility: there being a general feeling that NORAD does not impose its own agenda and is supportive of the government's efforts.

There is also a clear perception that NORAD is committed to the sector for the long term. The realisation that investment in education has to be carried out over a long period is clearly embedded in the GoB's thinking and partners who share that vision are welcomed. This very positive perception of NORAD therefore is a great strength and provides a platform for Norwegian assistance that should be built upon. Although untested, it would seem that Norwegian impact and influence is greater than its financial contribution might otherwise predict.

4.7.1 The Poverty Alleviation Focus

A sharp poverty alleviation focus in the education projects is difficult to discern. This demands a clearer conceptualisation of the detail of the relationship between education interventions and poverty on the part of the GoB. The need for embassy education staff to deal with the complexity of projects located in three divisions or directorates of the Ministry of Education, and with the PEDPQI, which is itself composed of a number of disparate elements, threatens to reduce the time available to engage in anything other than the basic management and monitoring of the projects. In turn this impinges on the time available to address more professional issues and compromise the capacity of the embassy to develop as a learning organisation. This situation might be alleviated if the role of other support resources, such as the Ministry of Education in Oslo and LINS, were to be defined more clearly as providing both professional support to the embassy, as well as strategic programme overviews. The

potential for LINS to be involved in institutional links was welcomed by staff at NAPE, particularly in the area of developing research activities, but at the time of the field visits these had not gained any real momentum.

It is possible that clear conceptualisation of the focus for educational support might lead to involvement in more than one sub-sector. That is, concentration may be defined in terms of a particular type of impact or a particular population for whom impact is intended, rather than a sub-sector. If this were so, a means of coping with the administrative demands of dealing with two divisions of the Ministry would have to be found. Two options that present themselves are greater collaboration with other donor agencies that might include handing over administrative responsibilities, and further “outsourcing” of expertise so as to reduce the technical demands on embassy staff.

4.7.2 Clearer Strategic Vision

The MoU, supported by the CSP, expresses a commitment to support educational quality improvement. Issues around the achievement of this commitment in practice can be raised for all three major projects supported by NORAD.

Quality improvement is the central concern of PEDPQI, but it suffers from the absence of an explicit definition of quality in terms of outcomes. The project is expressed instead in terms of inputs, such as teacher training and textbooks. These may indeed promote quality in the system but unless a set of measurable quality indicators based on learning outcomes is developed, the real effectiveness of these inputs will never be known. Such indicators, derived from a clear understanding of educational quality, must be developed and a baseline survey carried out if meaningful impact of the project is to be judged. It must also be recognised, however, that this impact may only become apparent in the medium to longer term.

FESP 2 did not include any explicit educational quality goals and, at the time of this evaluation, no comprehensive and reliable review of the qualitative impact was available. It is likely,

however, that its success in increasing female participation will have had a similar negative impact on quality as was identified in the pilot phase (Sigvaldsen *et al* 1999). The specification of a minimum end-of-year examination mark of 45% for continuation may also have had an unintended negative impact in that this mark may have become a minimum, given irrespective of actual performance. Some negative impact was anticipated from the experience of the pilot FESP, but actions to ameliorate it could only be called for outside the framework of the project itself and were, therefore, beyond the control of the project. This is perhaps a good example of the potential value of a more integrated sectoral approach to support for educational development. FESP3, for which the GoB is currently seeking support, includes some infrastructural support components, based on FSSAP experience, but these do not appear to address fundamental weaknesses such as the shortage of teachers and classrooms.

The outcomes of NFEP 2 were stated largely in quantitative terms, dominated by the GoB’s concerns with achieving national literacy targets. Monitoring data indicates clearly, however, that it is the quality of delivery and support and the consequent quality of literacy outcomes that is of real concern. The PLCE component shows the importance of what is provided, itself a key aspect of quality. Experience with this project makes a point that is more broadly generalised, namely that the quantitative and qualitative aspects cannot be separated. Low quality educational provision ultimately leads to rejection of that provision, with consequences for enrolment, participation and retention. The NFE Technical Assistance team has taken this as part of their brief and it is hoped that this will lead to developments in this area.

The minutes of the annual meetings for all projects indeed indicate that the need for better qualitative monitoring data is recognised. This weakness seems to have been rooted in an inadequate conceptualisation and explicit statement of quality indicators at an early stage.

There is also a need to address the capacity to collect relevant qualitative data at the institutional and *upazila* level.

4.7.3 Working with Partners

The major challenge for partners on both sides of the co-operation is in reconciling the poverty alleviation and education quality objectives. On the GoB side this is a matter of major policy consideration and is one that must be dealt with in the forthcoming Poverty Reduction Strategy Paper. Norway must consider whether it has invested sufficient resources in strategies for the reconciliation of the objectives, either in terms of strategic review or in terms of the ongoing capacity of staff. This challenge is particularly highlighted by the decision of the GoB to expand primary education from five to eight years.

As Norway is only five years into its new strategy and involvement with education, it is premature to suggest that it should not continue to see this sector as a major focus in Bangladesh. The fundamental decision confronting Norway is whether it should engage in further *concentration* within the education sector. Two of the projects, FESP2 and NFEP2, are major GoB activities with large-scale donor support. In choosing to stay in these projects Norway needs to reappraise its strengths and consider how best to capitalise upon them. Consideration of whether to be involved in FESP3 is currently on the agenda and this offers a critical opportunity to question whether Norway should continue to stretch its meagre administrative resources across into this sub-sector.

In its next round of co-operation Norway must consider whether it should continue in a role of simply financing large programmes. It could also, however, seek to find a different role for itself by identifying areas where and ways in which its impact can be more significant. This could include becoming a calculated risk taker, and investing its grant funding and resources in innovations and trials of new ideas. A midpoint between these two is where Norway considers the potential for value added features within larger projects and deliberately positions itself as trying to promote innovative thinking, as has occurred with the PLCE component of NFEP2. In all of this Norway might become more research orientated, supporting the development of the necessary evaluative and critical elements needed in so many projects in Bangladesh.

In considering how to remain involved in Non-Formal Education, attention must be paid as to how this links up with other educational activities and the overall vision NORAD has of education. If the decision is to continue in the sector, then a more specialist role might be undertaken and careful consideration be given to such crucial supporting activities as training teachers, training delivery agents, such as NGOs, piloting innovative approaches, and developing new materials. Any contemplation of withdrawal from PEDPQI would send detrimental counter signals as to the long-term commitment of NORAD to the sector as a whole.

5 Support to the Productive Sector

5.1 Introduction

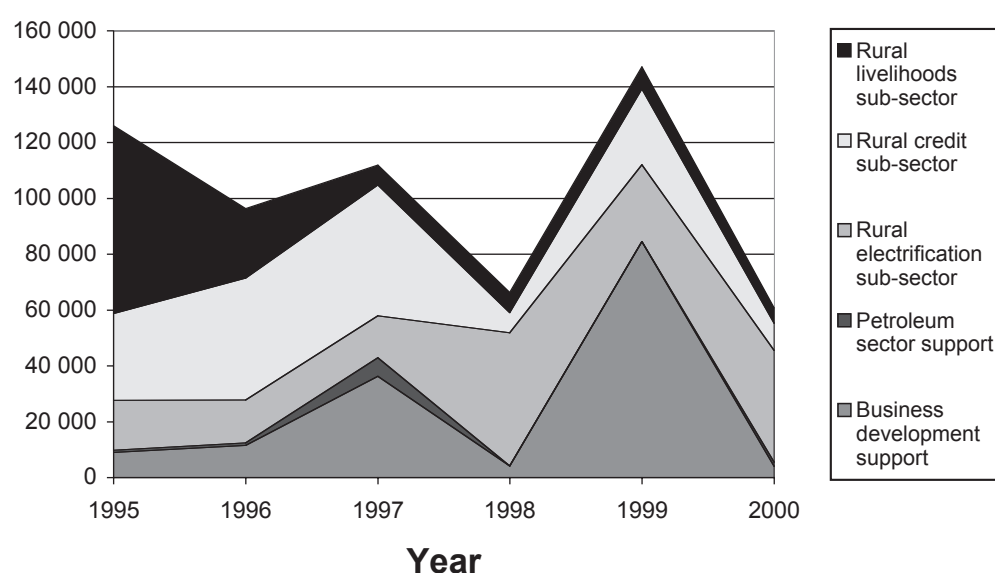
The MoU defines the promotion of “increased employment and higher incomes among the poor sections of the population” as one of the two main ways in which the objective of poverty alleviation is to be achieved. The MoU then sets out two sub-objectives for the productive sector co-operation:

- increasing income-generating employment for the poor
- strengthening existing and establishing new sustainable micro, medium and large production units with a particular emphasis on the involvement of the private sector

5.2 Norwegian Support to the Productive Sector in Bangladesh

Productive-sector support during the period 1995–2000 covered three main areas: (i) rural development, (ii) industry and business development, and (iii) petroleum sector development. The majority of Norwegian assistance has been focused on rural development. The interventions in the rural sector can be characterised as falling into three sub-areas: (a) rural electrification, (b) rural credit schemes, and (c) rural livelihoods. Figure 5.1 shows annual expenditures on business development, petroleum sector development, and the three sub-areas in rural development up to 2000.

Fig 5.1. Norwegian Support to Productive Sector
(NOK '000)



The rural livelihoods sub-area, in which the focus is directly on providing incomes or means of generating incomes for rural people, was the most important at the beginning of the period but tapered off when the Rural Employment Sector Programme (RESP) was phased out.

Rural credit has been the single largest expenditure category, closely followed by rural electrification. The latter is the most stable of the fields in terms of expenditures, while business development has fluctuated and dropped dramatically in 2000.

A little over NOK 555 m was spent on productive sector activity during the first five years. NOK 125 m went to industry and business development, only NOK 8 m to the petroleum sector, while the remaining NOK 420 m was spent on rural development. This represented on an annual basis between 28% and 54% of total Norwegian aid to Bangladesh.

5.2.1 Rural Development

As has been mentioned, there are three broad categories of support to rural development, but within each there has been a range of activities. In promoting rural livelihoods, SIDA and NORAD funded a comprehensive Rural Employment Sector Programme (RESP) in two poor districts of Bangladesh for almost two decades. The programme provided dry-season incomes for poor households through employment in its infrastructure work and had a credit-based, income- and employment-generating project as an adjunct component. In 1996, however, concerns over the direction and management of the projected Norway to pull out of the programme. As part of the subsequent division of responsibilities between NORAD and SIDA, NORAD took responsibility for the income-generating sub-component of the programme which had been operating in Kurigram District. NORAD became the sole funder of the Kurigram Poverty Alleviation Project (KPAP) as of mid-1997. This credit-based project inherited a number of serious problems. In early 1999, close to 90% of the portfolio was categorised as “at risk”. A mid-term review, carried out in 1999, concluded that either the project authorities would have to take drastic action to get it back on track, or NORAD should consider pulling out. After further extensive discussion, NORAD finally decided that they could no longer support KPAP and informed the GoB of their decision to stop providing funding as of the end of 2000.

Other rural-livelihoods work has been supported through different channels. During the 1995–2000 period, the MFA funded three activities with the development banks and UN agencies (multi-bilateral funding). Two of these were the tail end of ADB projects, while a fairly

large ILO project continued through 1999. All three were targeted at rural employment and women and the Terminal Report on the ILO project pointed to some achievements, albeit at considerable cost (ILO 2000). Moreover, through a UNDP regional initiative, the South Asia Poverty Alleviation Programme has operated in Kishoreganj Thana in Bangladesh. Livelihoods activity has also been supported by NORAD’s funding to Bangladeshi and Norwegian NGOs that are engaged in productive activities. Only two Norwegian NGOs have offices in Bangladesh. The Strømme Foundation sees itself primarily as a resource for local NGOs that work on poverty reduction, gender and rights of marginalised groups, while the Santal Mission works with the Santals, through, for example, micro-finance lending.

In its support of rural credit over the period, aside from the KPAP, Norway has supported two other activities. The first of these was Grameen Bank’s micro-credit scheme, where support ended in 1997. The second was the Small Enterprise Development Project (SEDP), managed by Agrani Bank. Grameen Bank has been at the forefront of micro finance approaches that are now used in industrial as well as developing countries. In Bangladesh, it has established an organisation that has been able to expand and adapt during its 20-year history, having today 2.4 million members, most of them women in a rural Muslim setting. Its achievements in both banking and developmental terms are impressive.

The SEDP project covers 40 *upazilas* in two greater districts, with a total allocation of NOK 50 m. A mid-term review noted that the basic field structure was sound, but that the project is seeking to develop a hybrid of two different approaches (the micro-finance and formal banking approaches). The mid-term review raises a number of questions about the feasibility of this combination and in particular sees it as resulting in high transaction costs to borrowers. The small enterprise sector in Bangladesh has been neglected in recent years and yet this sector is seen as being of potential

importance to the future of rural development. Its contribution to the diversification of rural incomes, the possibility of graduating small businesses onto a higher level of enterprise, its potential impact on women entrepreneurs and the generation of employment are all seen as attractive factors. Partly because of recent neglect, demand for credit in this sector is high and the SEDP is designed to address an important gap in the rural financial market. However, the subsidisation of credit in this scheme brings with it a set of problems which have long been recognised in Bangladesh, i.e. the appropriation and misuse of subsidised credit by elite groups and the financial unsustainability of such schemes (Bangladesh Bank 1979).

Rural electrification has received Norwegian support throughout the period. In 1995 and 1996 Norway granted around NOK 25 m in parallel financing for electricity poles. As of 1997, Norway co-funded direct investments in new rural distribution systems. These are organised as local member-owned electricity co-operatives, known as PBSs (*polli bidut samity* – rural electricity co-operatives). In 1997 the Bhola PBS received NOK 70 m and this was followed in 1999 by a grant of NOK 70 m to the Gaibandha PBS.

Bhola and Gaibandha are two of the poorest and most marginal districts in Bangladesh, they are therefore among the most challenging in terms of extending the rural electrification system. A mid-term review was carried out of the support to the Bhola PBS in 2000 (NCG 2000a), and this was quite positive, commenting that the overall REB/PBS system had among the best operational standards in the region. The report noted, however, that there were concerns over the financial sustainability of PBSs in poor and marginal districts and that a more substantial analysis of the social and economic dynamics of rural electrification in such areas was needed.

5.2.2 Petroleum Sector Support

Norway has aided organisations with information, monitoring and regulatory functions in the petroleum sector in

Bangladesh. Support was provided for the Bangladesh Petroleum Institute (BPI), but after almost ten years, this was abandoned, in line with the findings of a final evaluation (ECON 1998). In 1997, Norway agreed to support the new Hydrocarbons Unit (HCU) in the Ministry of Energy and Mineral Resources. HCU has largely the same objectives as BPI had, but has been placed inside the Ministry as an advisory body rather than as an external and independent entity, thus addressing some of the institutional weaknesses of the BPI.

5.2.3 Industry/Business Development

Industrial and business development includes support to Norwegian firms wishing to invest in Bangladesh and support to local business development. Of the NOK 125 m spent in this area, around NOK 115 m funded two Norwegian investments while the remainder was largely used to support the local jute industry.

The two investments are Scancem's cement factory and Telenor's investment in Grameen-Phone, a cell-phone service provider. In addition, two feasibility studies have been carried out by Norwegian firms. One looked at the shoe industry, while the other examined the modernisation of an impregnation plant for power-line poles. Both studies reached negative conclusions, but the second firm is reconsidering, believing there may be a regional as well as a national market for power poles. Norway is also supporting a jute development project. This key national resource has been out-competed by industrial fibres and improved natural fibres from other countries. The project is helping to develop new products and processes. A current desk study is not positive about its long-term prospects, however (NCG 2001).

5.3 Poverty Alleviation: Impact

The poverty focus in the productive sector is variable. Business development was not expected to have much direct impact on poverty, while rural development was selected because this is where poverty is the greatest,

and where women were perceived as most in need of support.

5.3.1 Client Level

At the client level, both the rural-livelihoods and rural-credit activities could be expected to yield the most direct results in terms of poverty alleviation. However, the existing evidence is weak. In livelihoods, both the multi-bilateral projects and the RESP ended without Norway knowing the extent of client level impact. Although RESP (and its component PEP – Productive Employment Project) was well regarded through much of its lifetime, it is a matter of some disappointment that so little is known about the longer term outcomes of a sustained period of spending in the two areas. While the financial and organisational reasons for withdrawing support from the KPAP are understood and appreciated, it must also be recognised that Kurigram remains one of the areas in Bangladesh in which extreme poverty is concentrated. It is therefore a matter of no credit to either the GoB or NORAD that the project deteriorated to the extent that funding had to be withdrawn from a project which had poverty alleviation in one of the poorest districts in Bangladesh as a direct objective.

In the NGO sector, while the ongoing impact of the livelihoods work of the local NGOs seems promising, there has been little systematic tracking of actual performance. This has meant that there appears to be little learning or sharing of experiences from these activities.

In rural-credit activities there is a substantial body of evidence to suggest that Grameen Bank's micro-credit scheme has had sustainable poverty-reducing impact on member households. This has been measured in terms of income streams, labour time, expenditure levels and asset accumulation. In addition, research indicates that micro finance can be a significant factor in female empowerment, though the specifics of this vary considerably according to the conditions in particular client households and in particular regional contexts.

In the remaining rural-credit project, the Agrani SEDP, the main objective is to increase the number of small-scale enterprises by making credit available. The targets for number of loans have been exceeded, but the impact on poverty is less clear. A survey completed by the project reports large, positive effects on employment and income, and while this is promising, the survey was relatively naïve in its approach to enterprise-development impact assessment. It remains therefore for the project to develop a better quality of evidence on the extent to which it is increasing employment and incomes and how these benefits are distributed. It will be important to establish whether there are increases in employment for poorer people. Monitoring and impact assessment must also strive to go beyond employment and income effects and explore whether the positive non-economic effects (for example, improving the status of women entrepreneurs) can be identified.

As has been mentioned, there is a long history of bank-channelled funding in Bangladesh being appropriated by the more well-to-do and in small enterprise funding this is an even greater risk. Since the NORAD grant funding enables this credit to be subsidised, further efforts are required to explore the distributional consequences of the intervention and to tighten the connection of this type of intervention to the poverty alleviation objective.

There is little doubt that rural electrification is vital to the development of Bangladesh and that it has significant impact when it is introduced into rural areas. The most-cited study of the sector notes: "The importance of electricity in rural Bangladesh is clear: respondents ranked electrification as the number one infrastructure ingredient critical to improving the way of life in rural areas (ahead of education and water)." (Shamannay 1996 p. 3). However, there is very little detailed empirical work on the impact of rural electrification schemes at the client level and particularly on how it impacts the lives of poor people in the short run. Despite its positive view, the Shamannay study leaves many questions unanswered. Some additional

evidence on the positive relation between rural electrification and poverty reduction is offered in the recent Bangladesh Human Development Report (BIDS 2000), but if issues of causality and the distribution of benefits are to be ascertained, the report acknowledges that further work is required. Nonetheless, it is apparent that only a small percentage of households are connected to the grid. Greater economic benefits go to those who have capital to invest in equipment that can exploit the electricity. Since power is subsidised, the more well-to-do in rural areas reap the major benefits of both electrification and the subsidies. Poor people can benefit, but it is unknown what their share of the benefit is and the timescale over which that benefit may flow. In the interim there must also be concerns about the effects of increased inequality on the well-being of poor households.

In the Business Development activities, GrameenPhone is a commercial venture oriented towards the urban market, Grameen itself is using this to develop a rural cell-phone market. Leasing of cell phones in rural areas is creating employment and income for members of Grameen, so far with positive results. More importantly, this gives households (poor and non-poor) the potential to increase their welfare through improving social contacts and accessing information which may be important in their struggle for their livelihoods.

5.3.2 Organisational Level

The contribution of the multi-bilateral projects and RESP to organisational capacity appears to have been weak. Although the role that RESP played in strengthening the engineering departments in the Ministry of Local Government and Rural Development was viewed as positive, its wider organisational impact has been less impressive. The Bangladesh Rural Development Board (BRDB) was the main organisational body through which poverty alleviation activities were to be handled, but the RESP and PEP type activities were never fully integrated by the BRDB. It has proven to be a difficult and disappointing organisation for donors to work with. In the case

of the KPAP, Norway was never able to contribute much to the development of the KPAP as an organisation, and in this case the BRDB proved to be an organisation that had little interest in focusing on results and impact, and was thus less inclined to learn and improve.

As mentioned, much of the livelihoods work by the NGOs appears to have been beneficial, and many of these have reputations for being effective development organisations. Norway is supporting this by helping them to become more professional in the way they plan and handle resources. The next step that needs to be taken is to establish how this will make them more efficient and effective in terms of poverty reduction.

In rural credit, Norwegian funds to Grameen Bank contributed to the development of an internationally respected development organisation. Norway's participation in reviews was valuable to both parties. However, a recent joint review noted that Grameen may be facing a number of problems both organisationally and in terms of financial sustainability.

A recent review of the SEDP gave a very positive picture. The SEDP's strength is that it deals with individual entrepreneurs, is linked to a commercial bank, and operates in a market niche with almost no competition. However, the attempt to combine the micro-finance and banking approaches leads to a number of concerns. The joint management by the SEDP unit and the Agrani Bank was found to be inefficient and the financial monitoring inadequate. There is a problem in monitoring project costs as there are no cost or profit centres in the organisation, no financial or cost-effectiveness benchmarks established, and no evidence of a strong concern for sustainability built into the project design. While it is recognised that such a project can operate using a subsidy to achieve a particular developmental goal, the issue of financial sustainability is critical in relation to the longer-term effectiveness of such interventions where they are working in conjunction with the banking sector. If the project cannot run in the banking

sector without a subsidy from a grant-funding donor then the history of such activities in Bangladesh suggests that it will be quickly dropped by the banking sector after the donor money has been withdrawn.

In rural electrification, Norway has not provided any direct organisational support to REB or the PBSs, but its funding of the distribution networks has contributed to the strengthening of the organisations. A recent World Bank report on the completion of the Third Rural Electrification Project (World Bank 2000b) points out that the operation of rural electrification in Bangladesh provides a good example of successful co-ordination between privately-owned consumer co-operatives (PBSs) and a semi-regulatory institution (REB). It also notes that the system has gained considerable maturity, which is demonstrated by the ability to replicate new co-operatives and find capable staff in rural areas to perform technical and management functions. The ability to mobilise these co-operatives to take over comparatively large networks previously managed by parastatals, and to deal with consumers who have been used to fraudulent practices, offers hope for the sustainability of the system. The report further recognises that the loss reduction, rehabilitation and regularisation exercise underway in the newly acquired areas reflects an important lesson-learning capacity.

The jute project has involved both large jute mills and small jute-goods producers, but has had greater impact on the latter through opening up new high value-added but niche-based markets. These small-scale firms have developed their management, quality, on-time delivery systems, etc. If their niche markets disappear, however, much of these gains may be lost. Scancem and Telenor are clearly providing strong organisational inputs in the form of capital, technology, management and marketing skills, and product development. The Telenor venture has in turn been important in the rural cell phone project.

The collaboration between Norway's Petroleum Directorate and HCU is seen as helping HCU

develop its structure, systems and skills. There are many lessons to be learned in the experiences of the two countries that can be shared in this sector. However, the organisational politics on the Bangladeshi side remain complex and this is indicated by the non-establishment of the HCU within the Ministry.

5.3.3 Systemic Level

At the systemic level a number of the activities supported in the productive sector have the potential to make significant contributions to change. In the livelihoods activities the systemic impact is least clear. As has been mentioned, few lessons appear to have been learned from the RESP and the models that it experimented with do not appear to have been utilised in wider thinking. The role of the NGOs in relation to poverty alleviation, employment creation, gender equity and links to the other parts of the productive sector portfolio is not clear. NORAD does not have an apparent overarching theme or focus in terms of what the support to NGOs should produce. There is little in the way of systematic recording and learning and less analysis and dissemination, so there is no structure that can support developments at systemic levels.

In rural credit, the Grameen Bank has played a central role in developing the micro-finance sector, setting standards for procedures and organisational forms. Due to its innovativeness, its size and its donor support, Grameen has had major impact at the systemic level, both in Bangladesh and abroad. At the same time, though, credit growth in this sector is far outstripping economic growth, so poor households may be taking on more debt than they can successfully invest and service. If this "loan pyramiding" begins to crumble, millions of poor rural households will be stuck with an unserviceable debt burden. Neither NORAD nor other donors have put much work into preventing such possible systemic outcomes from developing.

Norwegian support for SEDP has led to a renewed involvement in the issue of small enterprise lending in Bangladesh. This is timely

and it is to be hoped that continued Norwegian involvement will follow-up and thus assist in expanding the lessons learned (including on poverty impact) into more system-wide gains. However, there are potential pitfalls in failing to learn from the previous experiences of the banking sector in this type of lending. The ongoing subsidy to the project, with only vague notions of how it will move towards financial sustainability, raises a broader question of reintroducing financial market indiscipline, after years of efforts to eliminate this. The rationale which allows lower real rates of interest to be offered to people wanting to start small businesses, rather than to the landless poor members of the many credit NGOs in Bangladesh, must be further elucidated.

Rural electrification has had a great systemic effect in Bangladesh and has been playing an important role in improving rural livelihoods. The massive membership drive in PBS areas has encouraged rural people to be active partners in this development program. Encouraged by the success and growth of the rural electrification programme, the GoB has attached importance to and donors are showing increased interest in extending financial and technical assistance (REB 1999).

Two recent reports refer to very high economic returns on rural electrification (Zomers and Bosch 2000, World Bank 2000b). The economic argument for rural electrification is thus solid, but the financial situation is more difficult. The REB itself is seen as financially sound (Zomers and Bosch 2000, p. 18), but of the 48 PBSs that had been energised for at least five years, only 16 had a positive operating margin in the fiscal year 1999–2000. All the PBSs together generated only Tk 36 m in margin on total power sales of several billion *taka*. While the financial strength of the REB at this time may allow us to overlook the weaknesses of some of the PBSs, the longer-term financial sustainability of the whole system must remain a matter for ongoing consideration.

Of more immediate concern for a grant funder such as NORAD is the question of what the

poverty impact of rural electrification in marginal rural areas is. As mentioned, while rural electrification is undoubtedly important in creating the conditions in which poverty may be reduced, it is important to understand how the dynamic of rural electrification actually affects poor people in the short run. While the arguments for supporting both the Bhola and Gaibandha investments may have been sufficient at a broad level of detail, more needs to be known about the ways that the introduction of electrification in such marginal areas actually affects poor people. At present the lack of a detailed understanding of social and economic effects in relation to the poverty alleviation objective is a weakness. Such a poverty analysis would allow Norway and other donors to think of ways in which the negative effects can be mitigated or the positive effects can be amplified for poor people.

The indirect effect of the Telenor investment, in the form of the rural cell phone system, is encouraging. It is seen as opening up a new dynamic market in rural areas and is lowering transaction/information costs so that rural markets are becoming more efficient and better integrated with the rest of the economy. It is a “bridgehead” for new technology into the rural areas, opening up possibilities for improving productivity as well as developing new products and services.

The jute project has also been quite successful regarding technology and product development, but only for a small segment of the jute sector. The costs have also been very high so the project is not sustainable. Furthermore, only if the overall jute industry is able to make a qualitative leap will organisational gains become more permanent, with the attendant hope of a more systemic gain.

The HCU project has significant system impact potential. It only became operational in June 1999, but has since developed reasonably well. Its responsibilities are still not clear, though, as there is uncertainty regarding what the Ministry considers to be the HCU’s future. The HCU can potentially have a major impact on the

hydrocarbons industry and how the added value generated is shared between the public and private spheres, as long as its objectives are also strongly supported by local political leaders.

5.4 Principles and Processes

5.4.1 Concentration

Support within the productive sector is gradually becoming more focused. Of the three main areas at the beginning of the period, only rural development is really being carried forward. The small-scale support to the petroleum sector remains, but has not been expanded or seen to lead to other forms of support in this area. Within rural development, rural electrification in the form of direct support to PBSs is one of the clearest fields of activity. The second is rural credit, where Norway has moved out of micro-finance and is now only supporting the small-enterprises credit segment. In the rural livelihoods sub-area, multi-bilateral and general rural development activities are no longer supported. What remains is support through NGOs, though in this sub-field focus remains somewhat unclear.

5.4.2 Co-ordination

One of the co-ordination-dimension aims of the MoU was for all Norwegian assistance to be covered by the same strategy. This was never attained in the productive sector, as the investment schemes were set up and managed from NORAD in Oslo according to separate rules and objectives. The jute project was also funded and managed from Oslo due to the organisational origins of the project. Multi-bilateral activities were directed by the MFA and the embassy was therefore not involved in the ILO project, despite it receiving over NOK 2 m a year. There was thus no mutual learning, though the ILO project had elements relevant to the RESP, NGO activities and even the micro-credit scheme. With the hiving off of the investment schemes and the end to multi-bilateral and jute projects, however, these co-ordination problems appear to be a thing of the past.

In the fields where Norway is active – rural credit, rural electrification, and rural livelihoods – there is little systematic co-ordination. In small-scale project lending, Norway has so far been a fairly lonely donor, though others seem interested in joining. In rural credit, in general, more innovative steps could be taken, among other things reducing the risk exposure to the poor that rapidly expanding rural credit may lead to, or encouraging proactive and action-oriented poverty research.

Norway is participating in two donor working groups in relation to productive-sector activity. There is an understandable reluctance to get involved in time-consuming joint donor efforts, particularly if the partner responsible for that field does not take on a strong leadership role. It would nonetheless seem reasonable to see Norway ensure closer collaboration with other partners in those sub-areas where it is investing considerable resources, and in particular ensure that this co-ordination leads to improved results in terms of poverty alleviation and the other objectives agreed to with Bangladesh for Norwegian development assistance.

5.4.3 Recipient Responsibility

Norway has worked hard to help local partners assume responsibility and a stronger voice in decision making. The NGOs have been particularly aided in working through their ideas without Norway interfering. The feedback from local partners has been one of appreciation of Norway as a listening and flexible partner in terms of priorities and programmes, and at the same time rigid in terms of reporting and financial management.

Within the context of recipient responsibility, however, Norway could play a more active role in getting partners in the productive sector to take their commitments to issues such as poverty alleviation and gender equity more seriously. As mentioned, several times, there is considerable scope for better distributional and impact studies, and here Norway could be a supporting partner.

One case where this was done was the KPAP micro-credit programme. Here NORAD entered into a serious discussion with its partners concerning poor performance and non-achievement of expected results and objectives. NORAD finally took the decision to terminate its support, which created considerable reaction within the relevant line ministry and project management. But it is clear that there was little understanding and concern on the Bangladeshi side of the seriousness of the issues raised by NORAD and documented in the mid-term review. NORAD noted that its partner was not exercising due diligence and responsibility, and saw no alternative but to pull out.

5.5 Cross-Cutting Issues: Gender and Environment

The productive-sector activities have a strong female focus. Poor women are priority beneficiaries in most rural-credit and rural-livelihoods activities, and are also included in the rural electrification project. However, while the vast majority of participants of many activities are women, there is little empirical work regarding the significance of this for gender equity in general or amongst the poor in particular.

The major exception is the rural-credit programme. Grameen Bank has generated a number of studies on gender, and the final joint review examined this and other literature fairly extensively. The overall conclusion is that many women have been able to use credit to enhance their income and assets. This has strengthened their position within their families, and in some cases enabled them to raise their voice in the community and even in formal politics. There is, however, also some concern that as loan-takers, some women members may face increased vulnerability, caught between NGOs demanding repayment and husbands who will not or cannot repay. In SEDP the proportion of women has also been increasing, and the average loan size per woman, though lower than for men, has also been increasing at a faster rate. Whether these women were poor or not is not known.

On the environment side, few environmental concerns have been raised by either party. One issue that merits consideration is the heavy subsidy of power, which may undermine the possibility of renewable energy becoming competitive. The only environmental impact study undertaken concerned the possibility that the impregnated power poles might release arsenic into the groundwater. In Bangladesh, where arsenic poisoning is a major issue, this was a serious matter. A USAID funded study (NRECA 1997) showed that the poles were not a contamination source, however, with the study seemingly of high quality and integrity.

5.6 Points for Discussion

During the six-year period 1995–2000, Norway has provided support to a number of activities in the productive sector, with a focus on rural development. Little is known about longer-term results, however, little attention has so far been paid to effectiveness, impact and sustainability. While Norway is aiding areas that may be of key importance to rural poor people, more resources should be spent on ensuring that (i) the resources in fact are accessible by poor people according to their needs, and (ii) performance is more or less in line with expectations.

5.6.1 The Poverty Focus

Rural electrification is undoubtedly the key to the long-term, sustainable economic growth and development of rural areas in Bangladesh, and thus a pre-condition for poverty reduction there. However, a belief that rural electrification is pro-poor and promotes greater gender equity thus far has little factual basis. It is equally likely that the distributional impact is regressive in the short run. There is, however, a potential for ensuring that a greater share of the benefits of rural electrification go to poor people, and NORAD could undoubtedly make an important contribution in this field.

NORAD has been in the forefront of supporting rural credit, both micro-finance and small-enterprise lending. It has thus filled an important role as innovator and risk-taker. The

danger of micro-credit over-expansion is one that donors share a responsibility for and that NORAD ought to look into, since a possible collapse here could have very serious long-term poverty implications. A more critical look at the distribution of benefits from small-scale project lending would also be helpful.

NORAD is narrowing down its rural-livelihoods focus to Bangladeshi NGOs. The quality dimension of results is unclear, however. At this stage there can be more strategic thinking on how to identify cost-effective interventions that can generate sustainable poverty reduction and gender empowerment. Many of the organisations that are receiving NORAD support are undoubtedly doing the right things, but NORAD and perhaps not even the NGOs themselves are necessarily able to clearly express this in relation to poverty reduction, nor to monitor this.

5.6.2 Clearer Strategic Vision

As most of the discussion above suggests, there is a need to develop a clearer strategic vision for activities in this sector. While there is an ongoing process of concentration, it will be important to reflect on whether this concentration is proceeding in the most appropriate directions given the objectives of the co-operation. As has been mentioned throughout, a much stronger analysis of the poverty relevance of key activities is needed. Moreover, NORAD could make useful contributions to analyses of *systemic* problems in each of the different sub-sectors it has been involved in.

Both rural electrification and rural credit may be facing serious sustainability issues. A more proactive study could look at probable consequences of rural power tariff increases, and what policy alternatives might exist to shield the poor from being disproportionately burdened. In the presumably more profitable but high-risk segment of small-enterprise credit, issues of financial and organisational sustainability, lending rates, etc. merit more study. Furthermore, the commercial risks and distribution of losses between parties in small-

scale project lending require more analysis for SEDP-like projects to become realistic. We could learn more by identifying what the larger objectives of NGO support should be and trying to track performance.

NORAD should also consider more carefully the appropriate role of grants funding in different areas of the productive sector. Further work remains to be done to establish what the value-added of grants-financing is in a high-return programme like rural electrification. Similarly much more work is required to clarify both the poverty reduction and gender empowerment effects of interventions in this sector. Norway is in a position to contribute to a better understanding of these issues and in this way could also ensure that the objectives of the co-operation are more likely to be attained.

5.6.3 Working with the Partners

One of the key lessons has obviously been that the local partner matters more than the donor funding. The support to Grameen Bank was extremely successful due to the priorities, policies and performance of Grameen Bank. Similar support to KPAP failed because the organisation behind KPAP itself did not pursue its policies properly and performed poorly. This lesson is obviously not new, and donors are always on the look-out for high-performance partners. Most partners are neither Grameen successes nor KPAP flops, but lie somewhere in between. They usually contain good principles and capacity to warrant belief in achieving a good performance, yet also will have internal contradictions and challenges so that this potential is not always realised. The REB is a clear example of an organisation that seems very solid and potentially a high-performer, but systemic dangers may overwhelm it unless steps are taken early on.

A similar view can be taken of the Hydrocarbon Unit. Organisational development is challenging, and in a politically sensitive field (such as the gas and petroleum sector), very strong commercial interests intervene to make the development of monitoring and regulatory bodies particularly demanding. The probability

of success is thus highly circumscribed, and will in part depend on HCU establishing a solid technical reputation that will provide legitimacy. If the HCU succeeds in becoming an efficient resource assessment, monitoring and regulatory body, the value-for-money of this project may make it among the best that Norway supports in Bangladesh.

An active donor like NORAD can help improve the quality of partner performance where there is trust and interest on both sides. In order for this to be feasible, however, NORAD has to have a clearer focus, few but important partners to work with, and must ensure a shared vision of poverty-reduction, gender-equity goal of the collaboration with its partners.

6 Support to Human Rights and Democracy

6.1 Introduction

The MoU sets out the bolstering of the democratic process in Bangladesh as a key objective of the co-operation, where four sub-objectives are identified:

- to increase public participation in decision-making processes, including the strengthening of institutions promoting such participation
- to support efforts to enable elected bodies to function according to democratic principles
- to promote stronger public awareness
- to support efforts for upholding the fundamental rights of citizens

This emphasis is founded in the CSP, which identifies Human Rights and Democracy (HR&D) interventions as a means to redress different forms of inequality in Bangladesh that discriminate against particular groups of people such as the poorest, women and ethnic minorities. Besides the four sub-objectives outlined in the MoU, the CSP also stresses the role of culture in promoting a more open and democratic society.

6.2 Human Rights and Democratisation in Bangladesh

Development co-operation in democracy and human rights introduces a sensitive and complex set of issues that is felt strongly on the side of the GoB. While formally acknowledging the need to consolidate the process of democratisation (GoB 1998), the GoB has been less forthcoming in its prioritisation of human rights. The inclusion of human rights was a matter of considerable discussion in the MoU negotiations, and in subsequent annual reviews and quarterly meetings, the Norwegian

representatives have taken the initiative to ask about co-operation on HR&D.

Human rights and democracy is one of the five principal objectives of all Norwegian development co-operation (MFA 1995). While Norwegian support for democracy only emerges as a specific policy issue in the mid 1990s (Selbervik 1997), its focus in the area of human rights has a longer history. Norway introduced human-rights concerns into its international development policy for the first time in 1976, and this commitment has been reiterated through successive White Papers (Nos. 19,51 and 21), reports from the MFA (1992, 1997), action plans (Norwegian Embassy Dhaka, undated b), handbooks (NORAD 2001) and commissioned evaluations (Selbervik 1997, 1999, Verulam Associates 2000a, 2000b). This formal commitment, however, has proven difficult to translate into coherent and consistent strategies in the countries where Norway is working (Selbervik 1997).

Throughout the 1990s, the wider international donor community has become increasingly aware of its role in promoting HR&D in Bangladesh. Donor co-ordination is formalised in the LCG Sub-group on Governance, which covers a wide range of issues, including public accountability and corruption, electoral processes, parliamentary democracy, human rights and judicial reform. This co-ordination facilitates communication and information sharing among donors, and has allowed them to develop strategies around specific initiatives, such as the establishment of the Human Rights Commission and the Ombudsman. The donor community has also supported research into democracy and human rights issues (see for example World Bank 2000a, 2000d) and this documentation is widely available in Bangladesh.

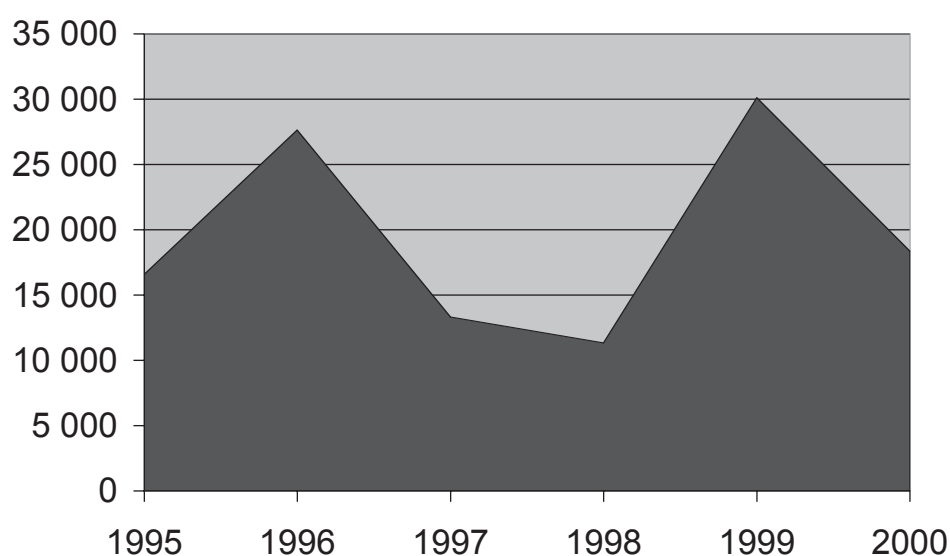
6.3 Human Rights and Democracy: NORAD's Current Sector Programme

The level of funding for HR&D is relatively low compared to the other two sectors. From 1995 to 1999 just under NOK 99 m was spent on HR&D activities. As Figure 6.1 shows, the annual allocations fluctuate between a low of around NOK 11 m in 1998 and a high of over

NOK 30 m in 1999. This represents about 5 and 12% of the total Norwegian aid allocated to Bangladesh during these years. Although HR&D activities are arguably the least capital intensive of the three sectors, the low level of spending is noteworthy. This is consistent with the findings in other countries where Norway supports HR&D activities (Selbervik 1997).

Fig 6.1. Expenditure on Human Rights and Democracy Projects

(NOK '000)



Source: NORAD "Norsk bistand i tall" ("Norwegian assistance in figures"), annual editions 1995–2001

Human Rights and Democracy activities are also fragmented across a range of issues and organisations. This is confirmed in a recent review which states that, "the boundaries of this area of work, though it is one of NORAD's three priority sectors, are not clearly defined, not financially, organisationally, by funding source or by type of actor supported" (Verulam Associates 2000a, p:25). Activities are funded through four different funding channels: the NGO, the Regional, the Cultural and the WID allocations. Importantly, the distribution of responsibilities among embassy staff follows grant allocations and not sectors, so there are four members of staff who are involved in what can be defined as HR&D activities at the embassy. Although NORAD, in both Oslo and Dhaka, is committed to ensuring that HR&D

informs all their development activities, the organisation of the MoU suggests that, like education and production, it should be a distinct and identifiable policy sector. Efforts are being made to achieve this, but there remains a problem of developing operational coherence as a distinct and identifiable sector of activity. A number of other factors need to be considered when reflecting on this outcome.

Human rights and democracy was a "new" area of activity after the 1995 MoU. Although there are some pre-1995 partners in the current HR&D portfolio, there has also been a substantial rationalisation of support under this heading. However, no detailed country-specific review was carried out for an HR&D strategy until the Verulam Review of 2000. This has

meant that while there has been rationalisation, it has not been informed by a considered reflection on what the principles and strategies for supporting HR&D in Bangladesh should be.

Although the MoU focuses on the relationship with the GoB, at the time of the MoU, NORAD was supporting only one government project (the election commission) which could be classified as an HR&D activity. This was a weak foundation from which to build the intended partnership with the GoB. Significant co-operation with the GoB in this sector did not emerge and the HR&D focus became associated more with work being carried out by organisations supported through the WID and NGO grants. It should also be noted that the period immediately following the signing of MoU was a politically turbulent one and therefore not a propitious time to explore the possibilities of working with the GoB on human-rights issues. Staff turnover at the embassy has also been identified as affecting the development of the sector.

As has been noted, Verulam Associates were commissioned in 1999 to carry out a review which would provide: “the foundation for a more strategic and coherent approach to the HR&D dimension of NORAD’s programme in Bangladesh” (Verulam Associates 2000a, p:1). As an exercise in strategy building, the report has come late in the time frame of the present MoU. At the same time, however, the commissioning of this review indicates that the embassy had recognised that the sector was not being developed in a coherent and structured way and that strategic thinking was required.

Following the Verulam reports, staff at NORAD have written a new “rights-based” plan for HR&D in Bangladesh (Norwegian Embassy Dhaka, undated b). This document, recently approved by Oslo, prioritises five areas for future support: i) Right of Access to Justice, ii) Right to Liberty and Security (Trafficking of Women and Children), iii) Right to Equality and Non-Discrimination (Gender Discrimination), iv) Right to Livelihood (Land), and v) Right to Livelihood (Child Labour). Given that the

intention of the plan is to concentrate on a few major change agents working in these areas, much will depend on the process of identifying and selecting good partners. At the time of this evaluation, this process had not been formally started.

Currently the HR&D programme supports a wide range of organisations, from government agencies, to NGOs and private trusts working in the field of HR&D. The majority of activities are carried out by NGOs. Prior to 1995, approximately 42 NGOs were receiving support from NORAD. In 2001, 29 NGOs were actively implementing programmes and a few others were either in the preparatory or completion stages of the project cycle. These NGOs can be classified into three categories.

- i. organisations promoting a rights-based agenda. These work with specific groups who are the object of particular discrimination such as poorer women, the disabled, marginalised children and the landless
- ii. organisations promoting better practice and greater awareness of democratic values and principles
- iii. organisations that adopt a more cultural approach to HR&D

Of the 29 NGOs receiving support in 2001, 16 can be classified in the first category, eight in the second and five in the third (see Annex 5). There have been four initiatives involving the GoB as the main partner: i) Election Commission, ii) Electoral Training Institute, iii) Child trafficking with the Ministry of Women and Children’s Affairs, and iv) Capacity Building for Foreign Aid Management with the Ministry of Finance.

6.4 Poverty Alleviation: Impact

The CSP and MoU state that all Norwegian aid in Bangladesh must contribute to alleviating poverty and that the primary beneficiaries of development interventions shall be the poor.

This enables us to introduce a distinction between two different types of HR&D interventions: those focusing on particular groups of poor people and those focusing on systemic changes. We can refer to the former as “client-focused” interventions and the latter as “system-focused” interventions. This distinction classifies the supported interventions and not organisations, recognising that many organisations are committed to both types of interventions. Nevertheless, the distinction helps clarify the types of results and evidence that can be realistically expected from either intervention.

6.4.1 Client level

The distinction between client-focused and system-focused intervention is particularly significant when assessing impact at the client level. NORAD supports a number of initiatives that seek to produce benefits for society at large, and not for particular client groups alone. Examples of these are efforts to encourage a more democratic society, promote cultural activities and support legislative reform. To the extent that these initiatives seek widespread societal changes, it is assumed that poor people will also benefit. Logically, since poor people are assumed to be beneficiaries rather than specifically targeted as such, it is unrealistic to expect or look for impacts on poverty at the client level in the case of interventions seeking systemic change. This is not to say that system-focused interventions do not benefit poor people, it is simply recognising that the pathways of attribution and causation are more complex.

Where organisations target specific groups, we found significant evidence of impact at the client level. Relevant examples of this impact include: shelters established for women who are victims of violence, the rehabilitation of disabled people through the provision of employment skills, free legal aid provided to poorer women, education and skill training offered to working children living on the streets and support for income generating activities for poorer women. There are also examples of NGOs promoting the participation of disadvantaged groups in

decision-making processes, such as *shalish* (community courts) and local government elected bodies.

Partners use different mechanisms for assessing client impact such as case studies, testimonies, baseline and monitoring data, logframe evaluations, progress and annual reports, and primary data on target groups. However, in this evaluation it proved difficult to identify and compile this information. With the exception of the reports by Verulam Associates, there is a general lack of organised evaluative documentation at the embassy. Documents found there tend to be those required by the Programme and Project Cycle Management (PPCM) manual (i.e. mandates, project documents and various progress reports). These documents offer commentaries on management guidelines, financial reports and a general description of activities, but do not significantly report or reflect on the actual delivery of benefits or on the strategic impact of activities. On both the Norwegian and Bangladeshi sides of the co-operation concern was expressed about the inadequacy of existing evaluative material and evaluative methodologies, the poor quality of assessments and the general lack of serious research into HR&D activities.

6.4.2 Organisational level

It is indicative here that NORAD prefers to core-fund partners since this allows them the opportunity to become more engaged in the process of strengthening organisational capacity. Partners are aware of and appreciate this choice. There is considerable evidence that NORAD has collaborated with their partners in a number of areas, such as the development of conceptual and thematic aspects, as well as the improvement of administrative and managerial capacities. The preparatory phases of projects in particular allow for a number of dialogues between NORAD and its partners not only on the content of the programmes, but also on the capacity of the organisations to carry out the programmes. This whole process is set out in the PPCM manual and although some perceive it to be tiresome and time consuming, most

consider the process a very useful way of developing the capacity of partner organisations. There are a number of good indicators that show the extent of organisational impact. Some of the organisations are now in a stronger position to deal with increasingly complex tasks. Good examples include organisations working to improve access to legal aid, catalogue human-rights issues, promote legal reform, develop cultural events, or support people with disabilities. The strengthening of organisational capacity has enabled partners to increase the range and quality of the services they provide. Some partners have produced development models on the basis of their experience, knowledge and practice, and these are shared with other organisations. We came across models on land distribution among the poor, alternative mediation and access to justice for the poor, as well as theatrical and cultural productions.

Networks are a fundamental part of the NGO scene in Bangladesh and all of the NGOs supported by NORAD are members of formal and informal networks. Networks are normally organised around issues such as children's rights, land, gender, legal aid and justice, but there are also regional networks that are not issue based. Recently, contacts between NGOs in Bangladesh and other civil society organisations in South Asia have also increased. Partners value networks because they open up opportunities for organisational learning, information sharing and alliance building. Furthermore, there is an emerging sense that networks may have an important role to play in wider governance issues in Bangladesh and throughout the South Asia region. While NORAD has actively promoted the development of network activities historically (e.g. gender issues) and more recently (e.g. child trafficking), actors on both sides of the partnership acknowledge that networks need to be generally better understood and more effectively used.

6.4.3 Systemic level

Most of the HR&D partner organisations claim to be promoting systemic changes, such as

positively influencing dowry practices, increasing respect for women, widening participation in decision making, introducing fairer laws and national reforms, and strengthening democratic values and practices. There are indications that system-focused interventions have had positive systemic effects but the evidence used to support such statements tends to consist of reports from partner organisations where attribution and causality is taken for granted rather than proven. Moreover, while there is consensus around the logic and need for system-focused interventions, the programmes, purposes, goals and indicators of the interventions are not always clear and well defined.

An important set of initiatives was undertaken to improve the electoral process and system. Partnerships were established both with the Government and NGOs. There is good evidence that positive impact has occurred through voter education programmes, the monitoring of national and local elections, efforts to encourage voter participation and to facilitate the smooth running of elections. Some partners also supported poor women contesting local elections.

Some of NORAD's partners play a pivotal role in raising issues to the level of public debate and then lobbying to influence how that debate unfolds. Good examples here include mobilising around specific human-rights abuses, such as torture, rape and human trafficking, using public interest litigation to challenge arbitrary arrests; establishing alternative dispute mediation systems, publishing annual reports on human rights issues, contributing to national debates such as those on the Ombudsman and Human Rights Commission, and assisting the Government to frame policy, such as the Child and Women Act 2000. Impact indicators here can be found in reports on meetings, roundtables and seminars or actual publications. Another important indicator is that some of the lobbying and advocacy work has encouraged the emergence of new actors and opportunities. For example, NORAD has recently agreed a project with the Ministry of

Women and Children's Affairs, to combat child trafficking in Bangladesh. Growing public awareness and debate on the issue of child trafficking highlighted and justified the need for such a project. Many of NORAD's partners play a crucial role in promoting this debate.

6.5 Principles and Processes

6.5.1 Concentration

The development of the HR&D sector has gone through several phases. Early on, the major changes occurred within the NGO and WID portfolios. With the MoU, NORAD was able to withdraw support from NGOs working on health and population issues and phase out its core funding contribution to BRAC, the largest NGO in Bangladesh. This freed up a considerable amount of money that could be then used to support NGOs working on HR&D issues. At the same time, organisations with a strong focus on women's rights were also moved from the WID portfolio to the NGO one. Throughout this period of transition, emphasis was placed on strengthening the organisations, improving their administrative and management routines and practices, encouraging staff development, and promoting efficient organisational change.

Change in senior staff in 1999 signalled the start of a second phase in the development of the HR&D sector. While the process of consolidating the NGO portfolio continued as before, greater stress was also given to the use of the cultural and regional grants. In particular, it was felt that cultural co-operation could be used more strategically to strengthen democratisation and reduce poverty (VP 1999, 2000). While NORAD continued to identify appropriate partners and work on their organisational capacity, there was increasing concern that the sector had developed in a rather arbitrary way and that a robust strategy had not really emerged. This led to the commissioning of the work carried out by Verulam Associates.

The principle of concentration has had two clear effects on the sector. First, all partner

organisations carry out one or more of the four sub-objectives of co-operation identified in the MoU. In this sense there has been substantive concentration. Second, the number of NGOs receiving support has decreased from around 49 in 1995 to 29 in 2001. In this sense there has been numerical concentration.

However, in relation to staff numbers and time, the number of organisations receiving support is still high and the range of activities being covered is still wide. The impression therefore is of a sector of activity that is dispersed and of staff being over stretched. While there has been an improvement in focus, there remains considerable scope for further concentration. In part this situation has developed due to the lack of no stronger guidelines for selecting partners other than their activities having to be related to the sub-objectives of the MoU.

6.5.2 Co-ordination

Although the embassy produces an annual management plan, there are no apparent routines for reflecting on strategic planning throughout the year. Staff members are busy with their workloads and the flow of information and level of substantial interaction appears to have been low. The weakness in internal co-ordination during the evaluation period is evident at the overall programme level. Little evidence was found that HR&D concerns had been used to inform choices in the education or production sectors. The new action plan for the sector, however, intends to improve internal co-ordination and linkage, and mechanisms to secure this have recently been established.

At the donor level, although the LCG sub-group on Governance covers a wide range of development interventions, it mostly deals with macro economic concerns and public administration reforms that are prioritised more by larger donors such as the World Bank. The dominance of these agendas means that it is difficult to use this forum to strategically develop and co-ordinate human-rights strategies. Other LCG sub-groups in Bangladesh have dealt with the diversity of themes and interests by establishing more

focused sub-sub groups. This raises the possibility of a similar group focusing specifically on human rights, where NORAD's particular concerns may be better addressed.

The question of co-ordination also arises when looking at NORAD's current partners. Earlier, it was noted that partner NGOs value networks because they help develop organisational capacity, but the role of networks as mechanisms of co-ordination is also important. Recent moves to support ADAB are an important step in seeking to more generally improve co-ordination in the HR&D sphere in Bangladesh.

6.5.3 Recipient Responsibility

The principle of recipient responsibility addresses the issue of ownership. In our discussions with both government and NGO partner organisations, we found that they did not have a concise and uniform understanding of the principle. NORAD staff also raised questions specifically about a) the operationalisation of recipient responsibility in Bangladesh and b) the applicability of recipient responsibility to NGOs.

The non-emergence of the GoB as a partner in the HR&D sector represents the most significant failure in terms of operationalising the MoU. Presently, NORAD supports two Government projects, both of which have just recently started and one of which (Managing Foreign Aid) entails upgrading hardware equipment. There is, however, some scepticism about the effectiveness and relevance from a HR&D perspective, of projects which focus exclusively on upgrading facilities and providing equipment.

Although NORAD has always encouraged the GoB to propose projects, it then retreats behind the principle of recipient responsibility when appropriate responses are not forthcoming. Two observations are pertinent here. First, some of the government ministries and personnel who could be strategically important for a HR&D strategy have very limited experience of working with donors. To expect a

high standard of recipient responsibility in these cases is over ambitious. Second, NORAD staff explain the non-emergence of the GoB by pointing out that the Government is not interested in human-rights projects. This is not the experience of many other donors who work predominantly with Government partners. Therefore it is not a matter of the GoB being unwilling or unable to work on HR&D issues.

The principle of recipient responsibility also applies to NGO partners. NORAD is generally perceived as a flexible and supportive donor, and partners appreciate the attention and effort invested in the partnership. However, we found that substantial interaction between NORAD and its partners tends to occur in the stages leading up to the signing of the project contract. Following this, the degree of engagement changes and focuses more on fulfilling the requirements set out in the PPCM. The process of the PPCM is, however, formalistic and time-consuming, and impinges on the opportunities for substantive engagement with partners. It was found that after the signing of contracts a) the number of field visits were low, infrequent and of short duration, and b) communications with partners focused mostly on the contents of submitted documents, such as progress, semi-annual, annual and final reports, as required by the PPCM. Actors on both sides of the partnerships have divergent views and expectations as to how best to promote the quality of their interactions, and are aware of the demands and pressures that determine how the relationship evolves. Sustaining a higher degree of substantive engagement after the signing of contracts would, however, be entirely consistent with the commitment to organisational development found in the MoU and CSP.

A further reflection is pertinent here. According to the principle of recipient responsibility it is up to the recipient to implement projects once they have been agreed upon. However, in Bangladesh policy failure or diversion most often occurs at the implementation level and it is during this stage that strong pro-poor partnerships are required. Thus when partner organisations need inputs for their projects,

either in terms of technical or political support, NORAD appears to have its own obstacles to providing this.

The principle of recipient responsibility also applies to issues of accountability and transparency. It is evident that NORAD engages with its partners on these issues and has acted consistently when organisations have operated in inappropriate ways.

6.6 Cross-cutting Issues: Gender and Environment

The number of HR&D projects in which the environment is classified as a significant dimension is very low. There is no evidence that environmental concerns are pursued in all HR&D projects.

By contrast, commitment to gender equality was strongly evident in HR&D projects. Poorer women are specifically targeted as clients in a high proportion of projects and a significant number have gender equality as their primary policy objective. Several of these seek to move beyond quantitative accounting to address qualitative issues regarding women's participation and strategic gender concerns. In this sector of development co-operation, therefore, the commitment to gender equality is evident not only at the client, but also at the organisational and systemic levels. While the strongest statement of this appears in the new HR&D action plan, it reflects a well-established practice of Norwegian aid. Several of NORAD's long-standing NGO partners are thus significant actors in the national movement to address gender inequality at an institutional level through legal, political, economic and cultural interventions, and value highly the support NORAD has given to their initiatives.

6.7 Points for Discussion

In the MoU, NORAD committed itself to an ambitious task of establishing a new HR&D sector and devising an appropriate strategy. Progress has been made in the endeavour, and

inevitably the experience has entailed elements of trial and error, as well as moments of success. It is important to acknowledge then that the attempt to develop an HR&D sector is still in its early stages.

Human rights and democracy are central elements of Norwegian development aid. However, the task of translating this high-level priority into an operational reality in Bangladesh has proved to be a difficult one. This difficulty reflects the context of Bangladesh where the GoB is neither an enthusiastic nor experienced partner in this area of co-operation, and where the political impasse from 1995 to mid 1996 severely hindered early attempts at developing the sector. It also reflects on processes and decisions internal to Norwegian development policy. Funding levels are comparatively low, the management of the sector remains fragmented, staff have heavy workloads and efforts to better understand the sector in Bangladesh through research, reviews and assessments have been few and far between.

NORAD has attempted to concentrate its efforts in the sector. However, both the number of organisations and the sectoral areas receiving support still remain relatively high. This places heavy demands on staff time and limits opportunities for more substantial interaction with partners. The main criterion used in selecting partners is that they carry out activities related to the main sub-objectives of co-operation. However, the sub-objectives are not well focused and are broadly defined.

The current HR&D sector consists of new and old partners. We found a greater degree of coherence and focus in terms of objectives and purposes in those initiatives where NORAD has a longer history of partnerships; namely women's rights and access to justice. Partners involved here are quite homogenous in nature and already collaborate together and with other networks on a number of initiatives. The initiatives falling under cultural and democracy areas tend to be more varied, and the level of coherence and focus is significantly weaker.

6.7.1 The Poverty Focus

The overriding goal of the MoU and CSP is to alleviate poverty. In terms of the HR&D sector, we found evidence of impact at the client, organisational and more tentatively the systemic levels. However, a number of relevant points emerged in our evaluation.

Some of the organisations supported by NORAD do not have a poverty alleviation focus nor specifically target the poor. This is inconsistent with the spirit of the MoU and CSP. We distinguished between client-focused interventions and system-focused ones and found that the former are more likely to have immediate and tangible impacts on the lives of the poor, and that partners can produce evidence to substantiate this more easily. This is not to ignore system-focused interventions, but simply to highlight the immediate relevance of client-focused interventions for the goal set out in the MoU and CSP. The distinction, however, may help inform future choices about the sector.

The evaluation team had to work very hard to gather evidence of impact and this was achieved mostly by contacting partners. With the exception of the reports by Verulam Associates, there has been no overall evaluation of NORAD's HR&D activities, and indeed, few of the partners have undergone full evaluations. What evidence exists is therefore dispersed and scattered. This is a matter of concern because it prevents NORAD and its partners from fully learning from their experiences and using that knowledge to inform subsequent choices and actions. This shortcoming should be addressed as NORAD further develops the sector.

NORAD's partners have reasonably good mechanisms for analysing, recording and monitoring their activities, but they expressed the need to further develop appropriate tools and methodologies that might facilitate institutional learning and help ultimately improve the quality of interventions. Staff at the embassy also raised this concern. It is important to remember that the assessment of HR&D initiatives is an underdeveloped science, which needs further investment. The recent

Handbook in Human Rights Assessment (NORAD 2001) is a good starting point here. However, it is a general tool that needs to be tailored to suit particular contexts like Bangladesh, and NORAD will have to think carefully about its own capacity to facilitate this process.

6.7.2 Clearer Strategic Vision

The overall challenge for NORAD is to build a coherent policy sector around HR&D in Bangladesh. There is a need to further contextualise efforts to think or build strategically around HR&D. To presume that project implementation follows straightforwardly from good planning and clear policy statements is unrealistic and represents a serious misunderstanding of the complexity of the policy process in Bangladesh. In this regard, it may be necessary to reflect on the possible mismatch between the logic of recipient responsibility and the social and political reality of policy in Bangladesh. Both the non-emergence of the GoB and the desire to help NGO partners achieve more are issues which could be addressed if NORAD assumed a more active role throughout the policy process. This does not nullify the notion of recipient responsibility, but it does call for a more discerning application of the principle. It is important that donors like NORAD use their experience and political voice to ask relevant and challenging questions so that the overall effort to improve the well being of poor people is maximised. In this process, responsibility can still lie in the hands of Bangladeshi partners.

The need for more proactive engagement is particularly urgent for HR&D where there is an acknowledged lack of information, knowledge, experience, evaluations and research. If the sector is to remain a priority for development co-operation, it is important that NORAD invests in developing country-specific tools and methodologies for evaluation and assessment, as well as in research to better understand the areas where NORAD is engaged.

The overall level of co-ordination in the HR&D sector was found to be weak. None of the grants

from which HR&D activities have been funded (WID, NGO, Regional and Cultural Allocations) have been established primarily for HR&D initiatives. Different staff members at NORAD are responsible for each of these grant allocations, and the flow of information and the level of substantial interaction among staff members were not found to be high. HR&D concerns do not inform choices made in the education and production sectors.

6.7.3 Possibilities

If HR&D is to be retained as a development priority, more resources have to be provided. Quality outcomes cannot be expected if there is insufficient investment (financial, human resources and research), especially in a sector that is still in its infancy.

Current funding and management processes constitute a weak framework within which to devise a strategy for the sector. The argument for creating one “office” responsible for the management and funding of HR&D activities is a strong one. This would help give HR&D a more robust and much needed sectoral focus. This would not prevent NORAD from making HR&D a cross-cutting concern. In this regard, a realistic proposition would be to devise a human-rights impact assessment and integrate it into the design, implementation and assessment of all projects supported by NORAD.

Most of NORAD’s HR&D support in Bangladesh goes to local NGOs. However, the number of projects and organisations involved is too high. In order to secure greater quality and coherence, further concentration efforts are needed. This will require guidelines for selecting appropriate partners and devising strategies around them. More general guidelines already exist (McGregor and Laurence 2000), and these could be tailored to support NORAD’s work on HR&D.

Finally, NORAD is a small donor supporting interventions that are small in relation to the complexity of the challenge being faced. This makes the principle of co-ordination important. In relation to other donors, NORAD is distinctive in two areas. First of all, it chooses to focus specifically on human rights, while most other donors involved in good governance issues are more concerned with macro-management and public-administration reform. Secondly, NORAD follows a strong civil-society approach in its HR&D work, while other donors have more links with Government partners. The importance of identifying the distinctiveness of NORAD’s work is that it helps inform future choices. There is no point in replicating work where other donors are active, but there is much to be gained from supporting this work and concentrating instead on the types of interventions and actors with which NORAD enjoys an unquestionable comparative advantage.

7 Conclusion and Recommendations

7.1 Bangladesh and Poverty in the 1990s

The overall assessment of the development performance of Bangladesh over the last decade is upbeat. It has experienced growth in per capita GNP that is impressive in the region and indeed amongst developing countries as a whole. It also has had good performance in export growth. Accompanying this, democracy was re-established at the beginning of the 1990s and, despite some rough passages, has survived the decade. While serious obstacles to political stability remain, it can nevertheless be recognised that significant progress is being made in governance in Bangladesh.

However, the challenges of poverty are still enormous. The good economic performance has only translated into modest impacts on the poverty profile of the country. While income-poverty and human-development indicators have shown improvements, these are less than might have been expected given the overall economic performance. The reductions in poverty also are not uniform across the country. While there are pockets of severe poverty in urban areas, in general, poverty has been reduced to a lesser extent in rural areas and the impacts on the poorest have also been disappointing. Women continue to bear a significant burden of poverty in Bangladesh. An estimated 30% of the population continue to live on calorie intakes well below malnourishment levels. The increasing income inequality over the last decade is a matter of growing concern and is seen as a threat both to the continuation of a good economic performance and to the structures of governance in the society and nation.

7.2 The Impacts and Effects of the Co-operation

The evaluation's overall view of the co-operation is that it has been effective, but it is obviously at an early stage in its evolution. The 1995 MoU signalled a major departure for Norway and was

an innovative form of agreement between bilateral donors and the GoB. The MoU and its underpinning CSP identify sectors and forms of co-operation which clearly require a longer period of gestation than five years before impact may be discerned. Much attention in this evaluation has been on assessing how the process has worked thus far, what shortcomings can be observed, and in what ways the co-operation can be improved. In particular it has sought to present challenges on how improvements can be made to meet the overriding objective of poverty alleviation.

It is important to acknowledge that working in accordance with the MoU has been a learning process on both the Norwegian and Bangladeshi sides of the co-operation. It is evident that much of this learning is still in progress and agencies on both sides continue to adapt their procedures and portfolios to meet the ambitions of the agreement.

The evaluation has established that impacts in poverty alleviation can be discerned in all three sectors of co-operation: education, productive sector, and human rights and democracy. However, the data on client-level impacts tend to be weak and are not well collated by organisations on either side of the co-operation. This leads one to question how the organisations involved know whether they are achieving or working towards the overall objective of poverty alleviation. At its worst, this means that some projects in all three sectors have tenuous links to poverty alleviation and some may be implicated in the relative deterioration of the position of poor people in the short run. Generally, the procedures and methodologies for generating evidence at the client level are weak and many organisations involved in the co-operation have recognised that more attention on both the GoB and Norwegian side needs to be paid to this.

There is more substantial evidence of impact at the organisational level. The CSP particularly

emphasised the importance of capacity building in Bangladesh and a considerable number of projects are intended to have impact at the organisational level (for example, the focus on NAPE in the PEDPQI). Once again, however, there is a need for both sides to develop clear indicators of how improvements in organisational capacity can be systematically assessed and to establish the ways in which organisational improvements are expected to have an effect on poverty alleviation.

The problems generated by staff rotation were regularly raised by interviewees in the valuation. On the GoB side, organisational capacity is threatened by continuous movement of staff between Ministries and Departments, so that it is difficult to build and maintain a dialogue. This is mirrored on the Norwegian side by the short-term cycling of Norwegian staff through the Dhaka Embassy.

The work that the members of the embassy staff have undertaken with NGOs is, in general, greatly appreciated by those organisations. Although some of this has been achieved through an adherence to the rigorous procedural reporting requirements, the relationships extend beyond these. There remains room, however, to explicitly explore other methods of organisational development.

The impacts at the systemic level from the co-operation may be significant. All three sectors have activities with the potential to make a contribution to systemic pro-poor change in Bangladesh. Improving the quality of the primary education system, in particular, has great potential. In the human-rights and democracy area organisations are working on key policy and human-rights issues that already have made a contribution to some system change. In the productive sector, the work with Grameen-Phone can be seen as having an important set of effect, while the initiative with the Hydrocarbons Unit has considerable potential to do so. As was indicated at the outset of this report, however, it is at the level of systemic impact that the question of monitoring and assessment is most challenging. At this

time most of the evidence available is vague and further efforts need to be made to develop thinking in this area.

7.3 Principles and Processes

7.3.1 Concentration

Some headway has been made with respect to concentration of the programme in the three sectors. However, the analysis shows that a significant number of activities are still being dealt with. Although there is an impression of concentration within the three sectors, each involves a range of loosely connected activities. For example, in the education sector the three major activities being supported are quite different and within the PEDPQI project there is a wide range of supported activity. Although nominally under a single Ministry of Education, the Norwegian support involves contact with three different departments or divisions which are not good at communicating between each other. In the productive sector five different sub-categories of activity can be identified and in human rights and democracy there is a significant range of activities among the 29 active organisations that are being supported. This means that there is still a large number of activities for a relatively small NORAD staff complement in the embassy to manage, and the demanding administrative procedures for each ensures that this adds up to a substantial burden.

While the CSP does not set out clear guidelines on “how much” or in “what ways” concentration is to be achieved, it is nevertheless clear that administrative tasks take most of the staff time, leaving little resources to develop the quality and intensity of relationships that the CSP envisaged. The process of further concentration is still very much in the foreground in the management of the embassy, but it is important to note that there are number of factors which serve to frustrate this.

A key limitation is new policy and reporting requirements arising out of the political system in Oslo. Each year, the annual allocation letter and a growing number of *ad hoc* letters contain

new initiatives emanating from the Norwegian Parliament, which are then handed down to the embassy for action. In this process, the status of the MoU is unclear. Although it is a signed agreement between senior political figures in the two countries, while Bangladesh may be called to account for not sticking to the MoU, there is less clarity on the extent to which it is to be adhered to by the Norwegian political system. In this system the MFA has an important role to play in following up decisions and in giving instructions to NORAD. However, the role of the Asia Section and the Bi-Lateral Department of the MFA as mediators between the political system and NORAD requires clarification. They appear to take little responsibility for ensuring a balance between the principles outlined in the MoU and the demands of Norwegian politicians in Oslo. In this evaluation we perceive that this lack of balance with respect to the agreements in the MoU between Norway and Bangladesh contradicts the core of the principle of recipient responsibility.

NORAD itself could have taken a stronger strategic approach, however. Once the MoU was signed, insufficient additional effort was made to design a more consistent and focused set of activities. While there have been some guidelines in education from the 1996 "Interests and Concerns" document, the Verulam Review of Human Rights and Democracy activities was the first real such analysis, and this was not undertaken until 1999.

7.3.2 Co-ordination

Co-ordination at all levels and on both sides remains a challenge for the co-operation. At a higher level, the complexity of relations and communications between the embassy, NORAD-Oslo and the different parts of the Ministry of Foreign Affairs is problematic. This is particularly illustrated in the relations between the bilateral and multi-lateral aspects of Norwegian Development assistance. In particular, and of concern for the effectiveness of the programme in Bangladesh, the feedback loop from the embassy to the MFA and then

back to the headquarters of the multi-lateral institutions appears to be weak.

In the embassy, the difficulty of communications and co-ordination between the three sectors is evident. Despite more recent efforts to address these problems, the organisational form implicit in the MoU may represent a difficult obstacle to surmount. The splitting of responsibility for human rights and democracy across four staff members and cross-cutting this with NGO and cultural responsibilities is also a source of miscommunication.

On the GoB side, the Ministry of Finance, through the Economic Resources Division (ERD), and the Planning Commission are both candidates for an important co-ordinating role, but neither appears to have sufficient authority or scope in their own right to take a lead in co-ordination. The ERD is focused more on securing, maintaining and managing donor funds and appears to have little to say on matters of substantive quality. The Planning Commission, on the other hand, has been systematically weakened as a co-ordinating organisation by donor strategies throughout the 1980s and 1990s. The more detailed policy objectives within the Ministries of the GoB tend to focus on their particular sphere of specialism and make little meaningful back-linkage to the primary objective of the government, nor to the way that these connect to the objectives of other parts of government (CPD 2000). This, of course, is not unusual in complex, modern governments in any part of the world. In the case of developing countries, however, it has resulted in a perceived need for further mechanisms to improve the co-ordination of government efforts. The Poverty Reduction Strategy Paper is one such mechanism, and preparation for this is underway in Bangladesh. One part of the GoB which currently does have some role in co-ordination is the Implementation, Monitoring and Evaluation Division (IMED) of the Planning Commission. Although long-established it is still underdeveloped in its function in the GoB, focusing more on the monitoring of spending

than on qualitative assessment of progress in and impact of projects.

There is a large amount of donor co-ordination in Bangladesh. However, while this is currently operating well at the principles level, it faces more profound challenges as one moves to operational levels. On the donor side, this may be one of the most substantial obstacles to the emergence of sector-wide approaches in Bangladesh.

The recent recognition of the need to reform the local consultative thematic sub-groups is an important juncture in Bangladesh. These groups have theoretically been an important mechanism for improving substantive communication both between the donors and with the GoB on key policy areas, but Government involvement in these meetings has almost completely disappeared. On the GoB side they have been perceived as events at which the donors could “gang-up” on officials. Questions remain as to whether the newly re-launched sub-groups will fare any better in terms of government participation, but if they do not, then important questions need to be asked about the extent to which this particular mechanism of donor co-ordination subverts the “ownership” of government over the debates in key policy areas.

The Like Minded Group (LMG) of donors in Bangladesh is still functional and, if anything, enjoying resurgence of relevance and enthusiasm among its members. Consisting of Canada, Denmark, the Netherlands, Norway and Sweden, this group has recently reconsidered its own composition and has affirmed that it has a distinct purpose in Bangladesh in its present form. While other donors may now be “like” minded, there are some important commonalities within the LMG at the principle level and the domestic-political-background level which its members see as binding them together. While this may change as personnel change, the LMG currently functions by sharing representational responsibilities, being a forum for discussion and co-ordination at all levels, and by assuring

better communication between the staff of member embassies and missions. The LMG has also recently taken on a more proactive role in collectively providing funding to the Centre for Policy Dialogue to produce annual commentaries on the state of the Bangladesh economy. This is seen as performing a valuable function in promoting informed debate within civil society in Bangladesh, and Norway has been a prime mover of the LMG initiative in this. For Norway, the LMG is especially important, as it is outside the co-ordination orchestrated by the European Union.

7.3.3 Recipient Responsibility

The principle of recipient responsibility emerges as both a source of strength and of potential weakness. The fact that Norway is perceived as a good partner in most of its relationships is explained on the Bangladeshi side as arising from it clearly setting out its initial position and then not interfering, or setting oppressive conditions.. This is not seen as being the case with other international donors.

The principle has its own implications for relations with other donors in Bangladesh. While they all may accept that “ownership” by the recipient government is important, there are a number of interpretations of what “ownership” means. For some donors in Bangladesh (including in the LMG), the Norwegian position is perceived as extreme. Others argue that the donor countries have rights and responsibilities that require them to be more involved with their partners than appears to be the case with Norway. There is also a strongly held view that the GoB is not the sole interlocutor for Bangladesh, but that there are other “voices” which need to be heard and which have “ownership” over development processes in Bangladesh.

The principle may also be problematic for the embassy, if it is interpreted as an excuse for passivity. As has been mentioned above, strong emphasis is placed on the establishment of a contract and then the formalistic monitoring of whether the conditions of that contract have

been met. The ability to follow-up in detail with field visits and informative and revealing dialogue with partners is deterred by administrative burdens, but it is also possible that the principle is interpreted in a way which creates a false division between policy statement and implementation. In Bangladesh, the implementation stage of policies, projects and accords is where much of the micro-politics of organisations and society intervene (Grindle & Thomas 1991). In guarding against the forces pushing implementation off-track, it is important that these stages are closely monitored and that support continue to be provided throughout. This requires embassy staff to have the necessary background and knowledge of Bangladesh to be able to act as effective partners: knowing which questions to ask and what support to offer to keep projects well focused. In this sense the principle of recipient responsibility needs further evaluation and development so that it does not stand as an obstacle to the maintenance of a good quantity and quality of relationship during all of the project stages. Current rethinking at NORAD headquarters on how to improve the focus on the content and quality of interventions suggests that these issues have already been recognised within the organisation.

7.4 Cross-Cutting Issues: Gender and the Environment

Gender issues appear prominent across the entire co-operation. The subject matter of specific projects and broad indicators suggest that both sets of partners have been effective in focusing efforts on women. What is less clear is whether the quality of gender analysis in these projects is of a sufficiently high standard to uphold the connection between the inclusion of women and poverty alleviation.

Documents from the MFA make clear that promoting greater gender equality is a major objective of Norwegian aid. This is argued both in terms of equity (that women's rights are human rights) and in terms of efficiency (that women are disproportionately represented

amongst the poor), and that the advancement of women has significant impact on human development indicators in particular. The general approach is one of gender mainstreaming, that gender equality should be pursued throughout all policies and programmes, rather than one of targeting women through separate development projects. This is clearly reflected in both the MoU and the CSP, which identify gender and the environment as key cross-cutting issues.

In the context of this evaluation, this means that gender needs to be considered alongside poverty at the client, organisational, and systemic-outcome levels. There are three major dimensions through which gender can be incorporated as a development concern. Gender can be taken into account in quantitative terms, through a headcount approach, which notes the relative representation of men and women at different points in the programme. The key question here is "where are the women?" This is relevant to both the client and organisational levels. As we have mentioned above, the co-operation has been relatively successful in achieving this level.

The next stage of analysis asks qualitative questions about the terms of engagement. This considers at what levels women and men are involved, and the power they have to determine agendas and outcomes. In other words, it is concerned with "voice" and the extent to which women are able to represent and achieve their distinct gender interests (Molyneux 1985). Questions here concern the representation both of women, and of strategic gender concerns. These questions are relevant to all three levels of analysis, client, organisational, and systemic, and it has been found that this has been less systematically applied in the co-operation. While it is stronger in the HR&D sector work, and is the specific goal of some supported organisations, much remains to be done to embed it in the activities in the other two sectors. The overall conclusion is that the embassy needs to deepen the quality of its gender analysis at this level.

The third dimension in which gender can be considered is at the level of structures and processes, the “rules of the game” in Bangladesh. Here, the questions concern not individual women and men as such, but gender, understood in terms of the values attached to being a woman or a man, and whether the character of institutions promotes gender-equitable development. Again while explicitly the focus of some organisations in the HR&D sector, these issues are not fully addressed in projects in the other two sectors. Overall, much more work needs to be undertaken to develop this dimension of gender awareness in the programme.

Only two projects in the portfolio feature environmental sustainability as a major consideration. Where it is not a specific focus, the evidence of consideration of environmental issues is weak. Although the potential to deal with environmental dimensions exists in both the education and productive sectors, there is scant indication of systematic thinking as to how these issues can be substantively incorporated. Some recent attempts have been made to combine the educational outputs from the main environment project (the National Conservation Strategy Implementation Project) with the projects in the education sector, but there is no evidence of this having yet had effect. In the productive sector there are opportunities to consider environmental dimensions in a number of ways (for example, on how to improve the environmental sustainability or reduce the environmental harm from small enterprises in the SEDP project). At a broader level there is the concern that the subsidisation of gas-based power could undermine the development of renewable energy systems. As has been mentioned above, the two projects which deal explicitly with environment issues (National Conservation Strategy Implementation Project and Environmental Impacts of Shrimp Farming Project – see Annex 5), and stand slightly aside from the main programme, both deserve closer scrutiny.

7.5 Challenges and Recommendations

7.5.1 Overview

As our review of poverty in Bangladesh confirms, much remains to be done in that country. Since the main objective of Norwegian Development co-operation is poverty reduction, it is clear that Norway still has a significant role to play as a partner with Bangladesh. The MoU of 1995 was a challenging document and it left much to agencies on both sides of the co-operation to work out in terms of operationalising its ambitions. The ambitions are viewed by actors on both sides of the co-operation as being worthy and the strategy basically sound. However, as Norway moves towards considering a new round of co-operation with Bangladesh, this evaluation highlights a number of important challenges.

Foremost amongst these is matching ambitions with resources. There is a simple equation that can be considered here, in which the quality of achievement can be seen as a function of the extent of the ambition targeted and the level of investment in NORAD staff working towards that ambition. The overall view of the evaluation has been that despite some concentration of effort there are still too many activities for the number of staff at the embassy in Dhaka. It is also recognised that these have not always been adequately supported by NORAD in Oslo. While working with partners in Bangladesh can undoubtedly be a challenging task, the difficulty can be overstated (see the CMI review of Norwegian Assistance 1985). As this evaluation of the co-operation has shown, there are a number of activities which have considerable potential to make a significant contribution to poverty reduction in Bangladesh. It is also apparent that Norway has begun a process of establishing a distinctive role for itself in the development processes of Bangladesh, but further refinement of that role is required.

The achievement of the objectives set out by the MoU requires a greater quality of involvement with partners in Bangladesh than has been possible. A key choice for the future, therefore, involves a consideration of what balance must be adopted in further concentrating and in

investing more in the staff resources to achieve the necessary level of quality engagement.

In seeking to establish this balance between concentration and investment, the evaluation offers the following recommendations:

- At the broadest level, across the programme as a whole, consideration must be given as to whether three sectors are too many and produce too much fragmentation within the embassy and amongst partners in Bangladesh. The organisation of activities within the embassy should be reviewed and options for re-organisation should be considered. As has been discussed, there is a specific challenge as to how the HR&D activity should be perceived and it could either be gathered into a single more coherent “team”, or HR&D staff (including NGO staff) could be absorbed into two substantive teams which use a rights-based approach to focus on the “education” and “productive” sectors. Regardless of whichever way the staff are organised, human rights should feature more strongly in all Norwegian activity and should become a distinctive characteristic of Norwegian co-operation
- Further concentration should be sought within each of the sectors, and to achieve this, strategic sub-sector reviews should be conducted (the recent review of the human rights and democracy sector may have to be reconsidered for relevance after a wider country strategy is worked out). These sub-sector reviews should seek to provide clearer criteria for the selection of partners and should seek to establish a clearer rationale for a smaller but better co-ordinated set of activities. Even if administrative burdens can be reduced by procedural reforms, the number of activities being dealt with by embassy staff should be reduced. The aim of this would be to permit them more time to develop the quality of their relationships with partners and in turn improve the quality of the interventions supported.
- Further investment in staff at the embassy will also be required if the desired quality in the level of involvement is to be achieved. This investment would look not just at the number of staff, but the background of and training available to the staff. This applies to both Norwegian and Bangladeshi staff. For Norwegian staff, however, better country-context orientation is also needed. Although sector expertise is essential, an improvement in the quality of relationships is dependent upon a better understanding of the development context in Bangladesh. Most of the Norwegian policy documents offer an analysis of key issues (for example, human rights, poverty and corruption) strongly emphasising their societal embeddedness. This is also true of the analysis in the CSP. If the staff are to be effective within a short time of arriving in Bangladesh then some means of providing a more effective orientation must be established.
- The improvement in the quality of the programme should also be addressed through improving support available from Norway. It is understood that the recent reorganisation of NORAD may offer better support for staff in embassies. The reconfiguration of staff in the Regional Department to provide a Bangladesh team rather than one desk officer may be an important first step. The possibility of establishing a country advisory panel, drawing on country expertise both in NORAD and in other institutions (for example, developing the existing relationship with the CMI) should also be explored. For the longer term, and in their roles as actors in the Norwegian scene, NORAD and the MFA may also consider what action they need to take to build-up country- and region-specific capacity.

7.5.2 The Efficacy of the MoU

The MoU has been a useful document for this evaluation in that it is a clear and concise document which firmly sets out the parameters against which the co-operation should be

evaluated. As was mentioned in the introduction to this report, the MoU is an innovative instrument in the relationship between Bangladesh and one of its bilateral donors. It has been a valuable document in that it has provided clarity and transparency in the dialogue with Bangladesh. It also can be seen to have protected Norway from being drawn into a number of disparate involvements. The transparency of this approach is appreciated by the GoB and other partners and a number of other bi-lateral donors are looking carefully at the ways in which they develop agreements of a similar type.

However, there are a number of problems with the 1995 document which need to be addressed in considering whether to use this type of instrument again. The MoU is variously perceived as a framework and a straightjacket and in its formulation the 1995 document falls uncomfortably between the two. It provides an overall framework, but then goes into too much detail at the sub-objective level to allow it to be sufficiently flexible as a framework document.

There are also conflicting views on whether the MoU seeks to cover too long or too short a time period. This, however, can be viewed as a consequence of the confusion between it being a framework and a straightjacket. In fact the 1995 MoU does not cover any specified time period, but clearly a five-year time-horizon has been in the minds of most actors in the co-operation. Five years is too long a period for a blueprint approach to cope with changes in the development context and policy thinking in Bangladesh, Norway and the wider international community. Thus some of the more detailed guidance which is included in the MoU may become outdated. On the other hand, five years is almost too short a period to take a strategic overview of its longer-term ambitions. Practically, five years can be sufficient as long as the MoU is seen as a rolling and evolving framework document which avoids unnecessary detail. It would then be possible to use two types of strategic review to complement the MoU. A single mid-term strategic review could be used to check the ongoing relevance of

the MoU as a framework, while sector-specific reviews carried out shortly after the agreement of the MoU could be used to ensure that detailed components are consistent with it. Such reviews would provide a mechanism for adapting to changing circumstances on both the Bangladeshi and Norwegian sides.

A further criticism of the 1995 MoU has been that it is focused solely on the GoB. This led some NGO and civil-society partners to feel that they were not well connected to the overall strategy. As has been mentioned, there are strong views in the donor community and in civil society in Bangladesh that the government is not and should not be regarded as the sole interlocutor for the development process in Bangladesh. Therefore, during the next round of country-strategy formulation more effort should be made to formally incorporate voices from other sections of Bangladeshi society. This does, however, present a challenge for the establishment of an MoU, since if it is to be signed at the governmental level the question remains as to how civil society can be meaningfully incorporated into it.

On these matters the evaluation offers the following recommendations:

- The MoU approach to co-operation should be continued and refined. It has provided clarity and transparency in relationships with the GoB. It is a direction in which other donors can be seen to be moving.
- Any future documents of this type should be restricted to the overall framework level and should leave detailed sub-objective work to be specified by sub-sector reviews.
- The preparation of future agreements for co-operation should formally engage a range of civil society actors in Bangladesh. Efforts should be made to ensure that any agreement that is reached is seen as relevant for civil society and NGO partners.
- Mechanisms should be established both for reviewing the relevance of the MoU as a

framework and also for establishing the detailed sectoral strategies to work towards the framework objectives. The first of these review processes should involve the MFA and NORAD Oslo.

7.5.3 Reviewing the Poverty Focus

The recent overall poverty performance in Bangladesh poses challenges for a bilateral donor such as Norway. The profile of poverty problems in Bangladesh is changing and the persistence of extreme poverty and increasing inequality have been noted as two important issues. In the Norwegian-Bangladesh co-operation there has been a gap between the main stated objective of the MoU and the design/implementation of the component projects in the programme. It is argued that there has been insufficient attention on either side to the detail of the design of projects such that the ways in which they are impacting poverty can be effectively monitored. There has been further work on this in the embassy in Dhaka and the staff workshop on poverty by BIDS staff in 2000 was an important step forward.

On the GoB side, although there have been repeated clear statements of the primacy of the poverty alleviation objective, there is less clarity when it comes to what is entailed in achieving this objective. The causative links between the activities implemented and poverty alleviation or reduction are either vague or are not stated at all. In its vague form the argument is, to put it simply, that since a large proportion of the population in Bangladesh is poor most things that the Government does can benefit poor people. This is not borne out by the history of independent Bangladesh and the poor poverty performance of Government projects and programmes. As the Centre for Policy Dialogue has noted, although poverty reduction is central to the constitution of Bangladesh there is no national framework for translating its intentions into outcomes (CPD 2000).

Perhaps a major challenge that still confronts Norway and its partners in the co-operation is how they choose to better define poverty

alleviation (or preferably poverty reduction). In Chapter 2 of this report a brief overview of the progress in poverty analysis in Bangladesh has been given. There are two directions in which the partnership might move in this respect. Partners can develop a tighter and more rigorous definition of the poor people whose poverty they want to alleviate. This would mean better understanding of particular poor groups and defining the ways in which the various interventions will actually affect these people. The alternative is to take a wider view of the processes of poverty reduction and permit a number of types of intervention which can have both immediate and more distant causal connections to poverty reduction.

This evaluation recommends that a wider view of the processes of poverty reduction inform future co-operation. This corresponds better to the approach that has already been embarked upon and also would mean that Norway does not fall into a spiral trap of over-targeted assistance which loses sight of the wider picture of development in Bangladesh. It is emphasised, however, that this must not be seen as introducing further vagueness into understanding the processes of poverty reduction. Rather it will require the partners to improve the clarity of their thinking about what poverty is, who is being targeted and how interventions are supposed to change their state of well-being. Although this route builds on the initial thinking in the CSP (where the categories: survival, survival-to-production, and large-scale production are offered), and also on the nascent framework developed within the embassy, further investment in strategic thinking on this issue will still be required.

Norway and Bangladeshi partners should jointly engage in workshops, beyond their routine meetings, to further develop the analytical clarity of their approach to poverty reduction. Whether impact is intended to be achieved directly at the client level or through the organisational and/or systemic levels, these workshops must seek to establish: which poor people may expect their poverty to be reduced, in what ways the interventions are specifically

addressing dimensions of poverty reproduction, and produce means of monitoring whether the interventions have achieved the poverty reduction objectives set out by them.

7.5.4 Corruption

NORAD in Bangladesh is perceived by other donors as having been prominent in the discussion of corruption with the GoB. NORAD's main central policy document "Good Governance and Anti-Corruption Action Plan, 2000 – 2001" contains an assessment of Bangladesh, furnished by the embassy, as a country in which corruption is institutionalised in all sectors of society. Of the descriptions of countries in the NORAD portfolio, Bangladesh is represented as one of those with the most serious corruption problems. This assessment is too brief and judgmental to be balanced and corruption in Bangladesh requires more careful and thorough analysis. A more thorough and nuanced review of corruption in Bangladesh is in fact offered by the GoB itself in the Report of Public Administration Reform Commission (2000).

The embassy in Dhaka was asked to produce a county-specific Anti-Corruption Action-Plan in response to the central NORAD Anti-Corruption initiative. The time available to produce this was characteristically short and the plan is not yet a fully developed document. While a number of new initiatives are raised as possibilities (for example, core funding for Transparency International) there is some way to go in establishing the anti-corruption plan as an embedded aspect of the overall country strategy. Intriguingly, although a major central initiative, the embassy in Dhaka has received relatively little resources to assist them in pursuing their thinking on this. From the Oslo perspective there appear to be surprisingly few resources available to support what has been regarded as a major initiative. The Bangladesh Anti-Corruption Action Plan was regarded as relatively well formulated and as such there was no perceived need to dedicate specific resources to it. It is the view of this evaluation, however, that much more work is required.

The embassy has pursued allegations of corruption in Bangladesh by commissioning special audits and relentlessly pursuing audit queries with partners, and where necessary firm action has been taken and funding has been suspended. More recent work with FAPAD (Foreign Assisted Projects Audit Department) is also promising and anti-corruption work could be strengthened by linking this to the Implementation, Monitoring and Evaluation Division (IMED) of the Planning Commission. However, it is important to note that while there is much talk of corruption in the GoB, there is relatively little evidence of it being brought to the fore. Clearly, this does not match with the harsh assessment of corruption in the NORAD Anti-Corruption Action Plan. This disjunction is a problem, in that it paints an overly damning picture of Bangladesh in which the positive opportunities to address the serious issues of corruption are not sufficiently recognised and highlighted. In doing this it has the potential to act as an obstacle to improving communication with partners.

The evaluation therefore recommends that:

- NORAD invest further in its thinking on corruption in Bangladesh so that the concept can be embedded not just in senior-level documentation and debates, but in the day-to-day discussions between the partners in the co-operation. It will be necessary to pursue corruption not just through audit demands on specific projects, but also to challenge it as a more systemic phenomenon which must be addressed in a wider variety of ways.
- The work with FAPAD should be continued and efforts should be made to establish a link between it and the IMED of the Planning Commission.

7.5.5 A Learning Organization and the Long Haul

Finally, having undertaken the formulation of a country strategy and having implemented the MoU since 1995, Norway has signalled to Bangladesh that it is strategically thinking about the country over the long haul. It can be seen

that if Norway is to live up to its reputation as being a good partner in Bangladesh, then it must continue to develop the relationships that it has embarked upon. This commitment to Bangladesh must be tempered, however, by NORAD's desire to make itself a more effective learning organisation.

During this evaluation, it has been hard to track down documentation. The document archive in NORAD Oslo is distressingly incomplete. This situation is unsustainable if NORAD Oslo is to be able to present itself as a valuable support resource to country missions. On the Bangladesh side, the embassy archive is dauntingly comprehensive and complex, so much so that it is difficult for anyone to locate a necessary history on key issues. This also is unsustainable and some ways should be found to provide a more accessible and comprehensible record of key documents on the major areas of interest and involvement.

Learning, however, is not only contained in documents but also in staff. Again, as a feature of a strategy of further investment in the capability of staff assigned to work with Bangladesh, it will be important to consider the ways in which lesson-learning and lesson-sharing can be improved. This would allow Norway to become a better partner in Bangladesh. In this it should be able to assert its own rights as a donor, but at the same time put learning to good use in establishing effective working relationships with partners in Bangladesh. Where co-operation is failing to meet the intended objectives Norway would therefore be able to be clearer in its own analysis of where the problems lie, and clearer in its signals to partners about what must change and what the consequences of a failure to change will be.

Annex 1 Terms of reference

EVALUATION OF THE DEVELOPMENT COOPERATION WITH BANGLADESH IN THE COUNTRY STRATEGY PERIOD (1995–2000)

1. Background

In 1994–95 a country strategy for development cooperation was drawn up between Norway and Bangladesh which resulted in a Memorandum of Understanding (MOU) from political consultations dated May 23, 1995. The most recent discussions on the country programme took place in Dhaka in February 29, 2000. According to the resulting Agreed Minutes (AM), the two governments agreed to evaluate the current MOU. The evaluation will form the basis for a new MOU between Norway and Bangladesh, which is tentatively scheduled to be signed in 2001.

2. Purposes

The main purpose of the evaluation is to assess the results and experiences derived from the development cooperation during the period 1995–2000. The total development cooperation between Norway and Bangladesh covers many of programmes and activities which are implemented through a variety of channels. The evaluation report will make a brief description of all programmes and activities and evaluate and assess more closely the most important parts of the development cooperation programme.

Selected issues concerning the dialogue between Bangladesh and Norway, and principles of the development cooperation will also be assessed in the evaluation.

The evaluation will give guidance for the future development cooperation between Norway and Bangladesh.

3. Major Issues

3.1 Background

As a starting point the evaluation will describe and assess the importance of the changes in the political and economic context within which the development cooperation between Norway and Bangladesh in the period from 1995 to 1999 took place. National and international actors who are a part of this context will be identified and opportunities and constraints for achieving the objectives of the development cooperation will be discussed. The evaluation will give an overview of the efforts which the Government has made in order to promote “good governance”, including an assessment of the administrative reforms which the government has carried out in recent years. The evaluation will, on the basis of available reports, discuss whether there has been a reduction in the poverty situation in Bangladesh.

3.2 The country programme of cooperation

The joint MOU of May 23, 1995 laid down that the overriding goal for Norwegian development cooperation with Bangladesh should be poverty alleviation and that the two main objectives selected to contribute to poverty alleviation should be support to the education sector and the productive sector. In addition a third objective was to support Bangladesh’s efforts to further strengthen the democratic process.

The evaluation will describe all the programmes and activities of the development cooperation. According to the MOU the primary target group for development cooperation should be the poor with a particular focus on women, and the evaluation will assess the overall contribution of the programme to poverty reduction. Another overall general concern of the MOU is to integrate environmental considerations into the development cooperation. The evaluation will assess to what extent these crosscutting issues have been addressed in the development cooperation.

Of the three main objectives spelled out in the MOU, the evaluation should in particular focus

on the *education sector*. The education sector has in recent years received about 60 per cent of the allocations of the country programme and may continue to play a dominant role in the future. The evaluation team will therefore through available reports and its own independent studies assess the results, relevance, efficiency and impacts of the activities supported in the education sector. The evaluation team should discuss why it has been difficult to achieve a sector programme approach in the education sector.

For the *productive sector* several recent project reviews are available and for the activities related to *human rights and democracy* an assessment will soon be made. For these two areas the evaluation team will to a large extent base their assessment on these documents.

The evaluation will assess to what extent the efforts to *concentrate* the development cooperation between Norway and Bangladesh on a limited number of objectives, priority areas and cooperating partners have succeeded. The evaluation will discuss and make recommendations of whether a continued concentration of the development cooperation between Norway and Bangladesh is required.

3.3 Areas and channels outside the country programme cooperation

The evaluation will make a brief description of the major activities in the following channels outside the country programme cooperation:

- Norwegian NGOs
- Direct support from the Embassy to local NGOs
- Special allocations
- Support schemes for business and industry
- Multilateral organisations and international financial institutions
- The regional allocation

The evaluation should assess to what extent the activities of these channels have been coordinated with the country programme. The evaluation should make recommendations as to whether any of these channels should be

evaluated separately. The evaluation should also assess whether the activities of these channels contribute to improve the collaboration and coordination between the state, the civil society and the private sector.

3.4 The dialogue and principles for cooperation between Bangladesh and Norway

Country strategy/MOU documents in their current form have been used since 1993. A country strategy document with an MOU serves as a political or strategic tool in the cooperation between Norway and the recipient country. It should also serve as a steering and reference document between Norwegian participants in the cooperation, and between the political authorities in both Norway and the recipient country. The MOU with Bangladesh states that the development cooperation between the two countries should be governed by the principles of (i) *recipient responsibility* (ii) *concentration* and (iii) *coordination*.

The evaluation shall assess whether the country strategy/MOU documents have been integrated as a key component of the cooperation process between the Norway and Bangladesh, and whether it has been an appropriate instrument. The evaluation will assess whether the system of a MOU between Norway and Bangladesh harmonises with the Government of Bangladesh own planning system. The evaluation shall assess whether the main actors on both the recipient and donor side, have managed to strengthen cooperation and improve results because of the country strategy documents. It is desirable that the reasons be determined for any deviations from decisions laid down in the country strategy/MOU documents and the extent to which the authorities of partner countries have been involved in such decisions.

An assessment shall be made of how the principle *recipient responsibility* has been interpreted and practised by Norway, Bangladesh and donor organisations. An assessment will also be made of the dialogue between Norway and Bangladesh both as it has taken place at a political level and at the level of

implementation of programme activities. In particular the evaluation will assess the dialogue which has taken place with regard to the education sector and the goal of an overall poverty reduction. If found necessary, the evaluation will propose measures for improving the dialogue at the various levels.

The evaluation should also assess and discuss any constraints for the cooperation of administrative, professional or financial resources on the donor and recipient side. The evaluation will discuss problems for the development cooperation created by the high level of corruption in Bangladesh. An assessment shall be made of the possibilities of further promoting accountability and transparency in the management of funds and resources.

3.5 Coordination of development cooperation

The evaluation will assess to what extent the Norwegian support been based on, integrated in and absorbed into national plans and policies for the sectors selected for Norway's assistance. The evaluation will also assess to what extent the Norwegian support has been complementary to other donor or national development efforts of Bangladesh. The evaluation should assess the efforts concerning donor coordination and the role played by Bangladesh in this process. The evaluation will describe what mechanisms exist for *coordination* of support among the donors working in the same sectors as the areas selected for Norwegian support and how the sector programme support (SPS) has functioned in relation to the sectors supported by the MOU. In light of the principle of recipient responsibility, the evaluation should also discuss how the issue of the SPS should be dealt with in the development cooperation between Norway and Bangladesh.

4. Methods

4.1 Information for the evaluation

The evaluation will need to be based on the following information: access to all relevant documents in Norway and Bangladesh, including status reports for all relevant activities

within the cooperation as of December 31, 1999, access to information from and assessments by relevant people in Norway and Bangladesh.

4.2 Participation

Material and analysis resulting from desk study will be supplemented and adjusted by means of interviews of central participants and other relevant people and by impressions derived from field trips. A participatory approach should be pursued in the evaluation. The evaluation team must make efforts so that the evaluation becomes a learning experience for all the people and institutions involved in the development cooperation. Seminars and meetings should be held for this purpose during the period of the evaluation.

4.3 Organisation of the evaluation and the team competence required

The evaluation team will require in-depth knowledge of Bangladesh, the Governments's administrative system and the wider macro-economic, political, social and cultural context for the development efforts being implemented. The evaluation team will also need to possess detailed knowledge about the principles for Norwegian development cooperation and the administration of the Norwegian development cooperation. The evaluation team will therefore need to include persons with in-depth knowledge about Bangladesh and the system of Norwegian development cooperation.

4.4 The education sector: Balance between desk study and independent investigations

Both because of the important role the education sector has played in the past and may play in the future, a thorough evaluation of this sector is needed. This part of the evaluation should be based both on available documents and independent assessment(s) in the field, carried out by specialists in the area of education.

5. Timetable

The evaluation should be accomplished within a period of three to four months in the course of 2000 and 2001.

Annex 2 List of Institutions and Persons Consulted

Norwegian Aid Officials

Ministry of Foreign Affairs, Oslo

Mr. Eirik G. Jansen, Special Advisor, Evaluation Section

Ms. Elisabeth Jacobsen, Head, Asia Section, Bilateral Department

Mr. Ivar Selbyg, Advisor, Asia Section, Bilateral Department

Ms. Tanja Kristine Hegge, Advisor, Asia Section, Bilateral Department

Mr. Asbjørn Løvbræk, Advisor, Policy Section, Development Policy Department

Mr. Olav Seim, Advisor, Bank Section, Multilateral Department

Ms. Hanne Sørgerd, Human Rights Section, Department for Human Rights, Humanitarian Aid and Democracy

Mr. Hans F. Lehne, former Ambassador, Embassy in Dhaka

Ms. Berit Fladby, former Counsellor, Embassy in Dhaka

NORAD, Oslo

Ms. Tove Strand, Director-General

Mr. Morten Svelle, Director, Asia Department

Mr. Tor Kubberud, Deputy Director, Asia Department

Ms. Kristin Sverdrup, Deputy Director, Asia Department

Mr. Dag Larsson, Senior Advisor, Private Sector Development, Asia Department

Mr. Erik Frimannslund Brede, Advisor/Acting Country Co-ordinator, Asia Department

Mr. Rasmus Gedde-Dahl, Country Team, Asia Department

Ms. Edle Hamre, Country Team, Asia Department

Mr. Øystein Lyngroth, Country Team, Asia Department

Mr. Thorbjørn Gaustadsæther, Head, Policy Unit

Mr. Hans Peter Melby, Advisor, Policy Unit

Ms. Mette Masst, Deputy Director, Co-ordinator Anti-Corruption Project, Technical Department

Ms. Sissel Volan, Advisor/Co-ordinator, Technical Department (education)

Ms. Randi Lotsberg, Advisor, Technical Department (education)

Ms. Marit Berggrav, Advisor, Technical Department (health)

Mr. Hakon Gram-Johansen, Advisor, Technical Department (human rights)

Mr. Øystein Glømmi, Advisor, Technical Department (energy)

Mr. Geir Hermansen, Advisor, Technical Department (energy)

Mr. Gunnar Bøe, Senior Advisor, Southern Africa Department (former Director, Asia Department)

Mr. Odd Ekeli, Advisor/Country Co-ordinator, East Africa Department

Mr. Erling Eggen, Deputy Director, SIVSAM

Ms. Elisabeth Sollner, Trade Co-ordinator, Department for Civil Society and Private Sector Development

Ms. Mari Gjelsvik, Advisor, Department for Civil Society and Private Sector Development

Ms. Vibeke Pedersen, Advisor, Department for Civil Society and Private Sector Development

Ms. Kari Thorsen, Advisor, Department for Civil Society and Private Sector Development

Norwegian Embassy, Dhaka

Ms. Gerd Wahlstrøm, Ambassador

Mr. Erik Berg, Counsellor

Ms. Hilde Johansen, First Secretary (NGOs)

Mr. Tom Hunstad, Second Secretary (governance, human rights)

Mr. Sven Medby, First Secretary (productive sectors)

Ms. Ellen Marie Skaflestad, First Secretary (education)

Ms. Elisabeth Mork, Archivist

Mr. Arup Biswas, Advisor (micro finance)

Ms. Nasreen Hossain, Advisor (energy, environment)

Mr. M. M Hossain, Education Advisor (education)

Ms. Zakia Hassan, Advisor (NGOs)

Mr. Ahmed Abbasi, Advisor (governance, human rights)

Government Officials, Bangladesh

Planning Commission

Dr. Shah Md. Farid, Member (Socio-Economic Infrastructure and Programming)
Mr. Md. Shahidul Alam, Secretary, Implementation, Monitoring and Evaluation Division (IMED)

Election Commission

Mr. Samshul Haque, Joint Secretary
Mr. Karim Iqbal, Research Officer

Economic Relations Division

Mr. Khairul Alam, Joint Chief (Nordic Donors and ERD Co-ordination overall)
Mr. Md Talebar Rahman, Deputy Secretary.

Government Ministries and Directorates

Ministry of Finance

Mr. Habib Abu Ibrahim, Joint Secretary, Finance Division
Mr. Shah Alam, Deputy Secretary, Finance Division
Mr. Md. Oliullah, Assistant Secretary, Finance Division

Ministry of Jute

Prof. Tehmina Hossain, Secretary

Ministry of Education (MoE):

Mr. Sen, Chief of Planning
Ms. Dilruba Begum, Deputy Chief of Planning

Primary and Mass Education Division:

Mr. B. R. Khan, Joint Secretary, Planning
Dr. Delwar Hussain, Deputy Chief Planning

Directorate of Non-Formal Education (DNFE):

Mr. A. S. M. Halim, Director General, Directorate of Non-Formal Education (DNFE)
Mr. Ghani, Deputy Director, Directorate of Non-Formal Education (DNFE)

Non-Formal Education Project 2 (NFEP):

Mr. Mohammad Mahtabuddin, NFEP2
Mr. Zia Us Sabur, TA Team Member, NFEP2

Directorate of Secondary and Higher Education (DSHE):

Mr. Lutfur Rahman, Director Planning and Development
Mr. Manzur Alam Wahra, Deputy Director, Planning

Female Education Stipend Project 2 (FESP 2):

Mr. Sirajul Islam, Project Director, FESP 2

Directorate of Primary Education:

Professor Saleh Motin, Director General
Mr. A. M. Mussadequul Islam, Director Training
Mr. Md. Serajul Islam, Assistant Deputy Director Training, DPE

National Academy for Primary Education (NAPE):

Dr. Anwarul Aziz, Director
Deputy Director, Programmes
Senior Specialist and Specialists of NAPE

Ministry of Local Government, Rural Development and Cooperatives

Mr. Kazi Reazul Hoque, Joint Secretary

Other Public Sector Officials, Bangladesh

Hydrocarbon Unit

Mr. A. K. M. Sahmsuddin, Joint Secretary & Project Director, DCU
Mr. Mortuza Ahmad Faruque Chisty, Deputy Director, Exploration and Production
Mr. Abu T. M. F. Karim, Deputy Director, Administration

Bangladesh Petroleum Institute

Mr. Emdadul Haque, Director
Mr. Anwar H. Khan, Chief Scientific Officer

Rural Electrification Board

Mr. Golam Mustafa, Member (finance)
Mr. Syed Sarwar Hussain, Director
Mr. Syed Abu Abdullah, Director, Programme Planning
Mr. Belayet Hossain Chowdhury, Deputy Director, Programme Planning
Mr. Md. Rafiqul Islam, Assistant Director, Programme Planning

Bangladesh Rural Development Board (BRDB)

Mr. Mr. Sadek Ali Dewan, Deputy Director,
BRDB & former Project Director, KPAP
Mr. Saidur Rahman, Deputy Director, BRDB

Agrani Bank SEDP

Mr. Akam Mujibur Rahman, Project Director,
SEDP
Mr. Muzahidul Islam Zoarder, Monitoring
Analyst, SEDP

Donor Representatives, Bangladesh**Swedish Embassy**

Mr. Anders Granlund, Counsellor
Mr. Franck Rasmussen, Senior Advisor,
SIDA/Stockholm
Ms. Monica Malakar, Programme Officer, SIDA

Danish Embassy

Mr. Finn Thilsted, Ambassador
Mr. Ove Fritz Larsen, Minister Counsellor

Netherlands Embassy

Mr. Jan Maas, Deputy Head of Mission.

Canadian Embassy

Mr. John Moore, CIDA, Counsellor.
Ms. Famida Waabab, CIDA, Advisor
(education)

UK DFID

Mr. Paul Ackroyd, Head of Mission
Mr. Alistair Fernie, First Secretary –
Development
Dr. Terri Kelly, Senior Education Advisor
Dr. Richard Montgomery, Senior Social
Development Advisor.

World Bank

Mr. Kapil Kapoor, Senior Economist,
Bangladesh Resident Mission
Ms. Hena Muhkerjee, The World Bank
Ms. Sumaiya Andaleeb, Research Analyst, The
World Bank
Mr. Pierre Landell-Mills, Former Head of
Mission, Bangladesh

International Labour Organisation

Mr. A. F. Jamiluddin, Programme Officer

Asian Development Bank

Mr. Jamal Mahmood, Head, Social
Infrastructure, Asian Development Bank

UNDP

Mr. Jorgen Lissner, United Nations Resident
Co-ordinator and Resident Representative of
United Nations Development Programme

Bangladeshi Partner NGOs

Ms. Rasheeda Chowdhury, Director CAMPE
Mr. Ruhul Amin Chowdhury, Programme
Manager, CAMPE
Mr. Sayed-ul-Alam Kazal, Programme Manager,
CAMPE
Dr. Rafiqul Alam, Executive Director, Dhaka
Ahsania Mission
Ms. Nilufer Rahman, Co-ordinator RCU, Action
Aid
Dr. Nazmul Ahsan, Chairperson, LOSAUK
Mr. Fuzlul Haque, Executive Director,
Madaripur Legal Aid Association,
Ms. Taleya Rahman, Executive Director,
Democracy Watch
Mr. Mostofa Shiblee, Executive Director,
Working for a Better Life
Ms. Salima Sarwar, Executive Director,
Association for Community Development
Dr. Mohammad Bashiruz Zaman, Executive
Director, UCEP
Mr. Salim Chowdhury, Deputy Director,
Jagaroni Chakra,
Dr. Md. Mozammel Haque, Director Health
Care Services, Aparajeyo Bangladesh
Ms. Angela Gomes, Executive Director,
Banchte Shekha,
Mr. Anup Kumar Saha, Director Programme,
Banchte Shekha
Ms. Fawzia Karim Firoze, President,
Bangladesh National Women Lawyers
Association
Advocate Rokhsana Khondkar, Executive
Director, Khan Foundation
Ms. Khaleda Khan, General Secretary,
Bangladesh Mahila Parishad
Mr. Ahsan Habib, Assistant Director, Centre
for Rehabilitation of Paralyzed
Ms. Maggie Mulden, Centre for Rehabilitation
of Paralyzed

Dr. Enamul Haque, Chairman, International Centre for Study of Bengal Art
 Ms. Hamida Hossain (Director of Ain O Shalish Kendra)
 Mr. Mizanur Rahman (Coordinator ATSEC)
 Mr. Abdul Kader, Executive Director, Samata

Other NGOs

BRAC

Ms. Kaneez Fatema, Head of Education Programme, BRAC

Proshika

Mr. Mahabubul Karim, Senior Vice-President
 Mr. Shahabuddin, Director, Institute of Development Policy and Advocacy
 Mr. Md. Shanewaz, Director Programming

Asia Foundation

Ms. Karen Casper, Country Representative

ADAB

Mr. Shamsul Huda

Norwegian NGO Representatives, Norway and Bangladesh

Santal Mission Norwegian Board, Dhaka

Ms. Reidun Kyllingstad, Director
 Mr. Hans Tore Løvaas, Senior Regional Advisor
 Mr. Jens Reidar Antonsen, Project Director

Strømme Foundation, Dhaka

Mr. Nimal Martinus, Regional Director

Norway

Ms. Jorunn Kapstad, Secretary Asia Programme, Norwegian Church Aid
 Mr. Øystein Gudim, Chief of Staff, Norwegian People's Aid

Private Sector Representatives

Mr. Masud Isa, Managing Director, Grameen Telecom

Jute Project Participants

Mr. Ahmed Hossain, Chairman, Bangladesh

Jute Spinners Association
 Mr. Shahidul Karim, Secretary, Bangladesh Jute Spinners Association
 Ms. Sakina Dewan, Managing Director/Owner, Esheeta
 Mr. Mahmudul Huq, Director, Janata Jute Mills Ltd
 Mr. Kamran T. Rahman, Deputy Managing Director, Pubali Jute Mills Ltd
 Mr. Nurul Islam Patwari, Managing Director, Alijan Jute Mills Ltd
 Ms. Barna Ahmad, Marketing Manager, Concern
 Mr. Bimal Banak, Managing Partner, Swajan Crafts

Other Persons Met, Bangladesh

Dr. Abu Abdulla, Director General Bangladesh Institute of Development Studies
 Dr. K. A. S. Murshid, Research Director, Bangladesh Institute of Development Studies
 Dr. Binayek Sen, Senior Research Fellow, Bangladesh Institute of Development Studies
 Prof. M. A. Baqui Khalily, Chairman, Department of Finance and Banking, University of Dhaka
 Professor Kamrunnessa Begum, Director, Institute of Educational Research (IER)
 Mr. A. K. M. Nizamul Alam, Director, Export Promotion Bureau
 Dr. Debapriya Battacharya, Executive Director, Centre for Policy Dialogue (CPD)
 Prof. Mustafizur Rahman, Research Director CPD, and Department of Politics, University of Dhaka
 Mr. Lars Hjerpe, Chief Project Advisor, Hifab International, Dhaka
 Mr. Salim Samad (Freelance Journalist)

Other Persons Met, Norway

Mr. Erlend Sigvaldsen, Nordic Consulting Group, Oslo
 Mr. Arne Wiig, Christian Michelsen Institute, Bergen
 Ms. Sissel Ostberg, LINS
 Mr. Bob Smith, Director, LINS

Annex 3 Memorandum of Understanding (MoU) on the Development Co-operation between Norway and Bangladesh

1. Introduction

Representatives of the Governments of the Kingdom of Norway and of the Government of the People's Republic of Bangladesh conducted consultations in Dhaka on 23 May 1995 to arrive at a Memorandum of Understanding on the future strategy for the development co-operation between the two countries. The Norwegian delegation was headed by the Minister of Development Co-operation, Ms. Kan Nordhelm-Larsen, and the Bangladesh delegation was headed by the Minister of Finance, Mr. M. Saifur Rahman.

It was agreed that this MoU shall lay the foundation for the future development of co-operation between Norway and Bangladesh.

2. Development perspectives

The delegations shared the view that Bangladesh has undergone important changes and experienced significant progress during the 10 years that have passed since the last assessment of the development co-operation between Norway and Bangladesh. Bangladesh has re-established parliamentary democracy and during recent years has been successful in achieving and sustaining macro-economic stability.

The two delegations agreed that the essence of development is to place people first. This calls for an enabling environment that encourages human creativity, embraces human dignity, human rights and tolerance, and promotes pluralism, transparency and accountability, all of which democracy stands for. The delegations shared the view that the further strengthening of democracy in Bangladesh is important for the development of the country.

Despite the continued macro-economic stability, Bangladesh is yet to attain the desired level of economic growth. The delegations shared the

view that an increase in the investment rate is urgently needed to achieve a higher pace of growth. They also agreed on the important role of the private sector in this respect.

The delegations further agreed that it is necessary to improve the efficiency of public administration. To make public administration more accountable and responsive to its clients was seen by the delegations to be a central component of the overall development effort. This includes giving greater responsibility and access to more resources for local government.

The two delegations agreed that large-scale poverty in Bangladesh is the principal development challenge. They shared the view that labour intensive growth constitutes the key strategy for reducing poverty. Higher investment in social sectors leading to the enhancement of the capacity of the poor, together with investments in the productive sector suitably attuned to the growth of incomes of the poor, are crucial in achieving poverty-reducing growth. The two delegations stressed the need to orient the future development strategies of Bangladesh towards the needs and the resources of women.

The two delegations took note of the positive development in the internal resource mobilisation in Bangladesh and the increasing share of the Annual Development Programme financed by the Government. They, however, agreed that there will still be a need for some years to come for continued donor support.

Bearing all this in mind, the two delegations agreed on the following strategy for the future development co-operation between the two countries:

3. Objectives and principles

The overall objective of the development co-operation between Norway and Bangladesh shall be *poverty alleviation*.

The two main objectives selected to contribute to poverty alleviation shall be to:

- *develop a good educational system, with special emphasis on primary education.*
- *promote increased employment and higher incomes among the poor sections of the population.*

In addition, an important objective shall be to support Bangladesh's efforts to:

- *further strengthen the democratic process.*

The primary target group for the development co-operation between Norway and Bangladesh shall be the poor, with a special focus on women.

Development co-operation between the two countries shall be governed by the principles of (i) *recipient responsibility*, (ii) *concentration* and (iii) *co-ordination*. This implies that:

- (i) The objectives selected to guide the development co-operation between the two countries shall be in accordance with the plans and priorities of the Government of Bangladesh. The Government of Bangladesh shall be responsible for the planning, implementation, monitoring and control of activities.
- (ii) The development co-operation shall be focused on a limited number of objectives, priority areas and co-operating partners.
- (iii) Assistance shall be implemented in a coherent, co-ordinated and integrated manner. All available allocations and channels shall be used to promote the fulfilment of the agreed objectives.

4. Areas of co-operation

The areas of co-operation shall be education, the productive sector and strengthening of the democratic process. The objectives were agreed to be:

Education

- *increased participation of disadvantaged groups, especially girls.*
- *improvements in the quality, of teaching.*
- *strengthened relationship between education and paid employment, especially for girls/young women.*
- *strengthened institutional competence and capacity at central and local levels.*

Productive sector

- *increased income-generating employment for the poor.*
- *strengthening of existing and establishing of new sustainable micro, medium, and large production units with a particular emphasis on the involvement of the private sector.*

Strengthening of the democratic process

- *increased public participation in decision-making processes, including strengthening of institutions promoting such participation.*
- *support efforts to enable elected bodies to function according to democratic principles.*
- *stronger public awareness.*
- *support efforts for upholding fundamental rights of the citizens.*

Institutional development and capacity building shall be an integral part of activities undertaken in the three priority areas selected.

Gender aspects and environmental considerations shall be overall general concerns.

Within this context limited support to family planning may be considered.

5. Roles and responsibilities

Both Norway and Bangladesh bear a responsibility for the successful achievement of

the objectives selected for development co-operation between the two countries, as well as for ensuring the maximum effectiveness in utilizing the funds. This represents a great challenge to the responsible administrations of both countries and requires an open dialogue and close co-operation between the parties concerned.

The following minimum requirements shall be applied in connection with every activity financed through Norwegian development assistance:

- a) All activities within the government-to-government co-operation shall be included in Bangladesh's national plans and priorities.

Other activities shall be in line with these plans and priorities.

- b) All development assistance on a government-to-government-basis as well as Bangladesh's own commitments hereto shall be reflected in the Annual Development Programme and in the Revenue Budget.
- c) The co-operation shall be based on established administrative standards and procedures in Bangladesh provided they meet with Norwegian requirements for sound, transparent and accountable financial management.
- d) Project objectives and targets shall be clearly defined and realistic. Achievements must be documented.
- c) Development co-operation shall be based on a business-like approach and formalised in agreements which define the obligations of the two parties. Sanctions for breach of agreements must be specified and implemented whenever such breaches occur.

6. The volume of assistance

It was understood that the total volume of Norwegian assistance to Bangladesh shall be maintained at a high level. The volume of assistance will, however, to some extent be contingent on the ability of Bangladesh to compete for funds from the global schemes. Information and consultations on the various facilities outside the country programme will constitute an important element in the future dialogue.

7. Validity

The objectives and principles outlined in this MoU shall be valid from 1 July 1995 until further notice. Either party may give notice of termination of the MoU which will take effect after six months.

Obligations under existing agreements will be honoured.

Signed in Dhaka, this Twenty-Third Day of May, Nineteen Hundred and Ninety Five.



Kari Nordheim-Larsen
Minister of Development Co-operation

For the Government of the
Kingdom of Norway



M. Safir Rahman
Minister of Finance

For the Government of
The People's Republic of Bangladesh

Annex 4 Environment Projects

There are two projects in the current portfolio that specifically deal with environmental issues. These are the National Conservation Strategy Implementation Project-1 and The Environmental Impacts of Shrimp Farming Project. In this annex we provide a brief discussion of each of these and raise some questions that emerge from the documentation.

1. National Conservation Strategy Implementation Project

This is an environmental programme with the Ministry of Environment and Forests (MoEF) as the implementation agency, with technical assistance provided by IUCN. An agreement was signed between Norway and MoEF on 24 April 1994 based on the TAPP (July 1993) for the project. The development objective was stated as: *“improvement of environmental management and conservation of bio-diversity in Bangladesh.”* The main objectives were: *“strengthening institutional competence and management capacity in the MoEF, producing management plans, maps and surveys (ecological and demographic and socio-economic) of the three prioritised areas (tropical forests of S-E Bangladesh, Jinjira/St. Martin’s Island and the Tanguar Haor), and addressing issues of environmental education and awareness (through curricula and information materials).”* The total grant was NOK 14,420,000 for five years 1994-99.

An embassy report from the annual meeting in 1995 noted the lack of progress in the implementation of the project and it was agreed that unless the TAPP was revised, then NORAD would consider discontinuation. The embassy undertook a special review with assistance from NORAD/Oslo, in January 1996 and this identified several weaknesses in the project. A revised TAPP was submitted in March 1996. An embassy report from this meeting states that some progress has been achieved during 1995 and that the MoEF promised to address the problems faced, and that: *“there is a strong sense of ownership of the project by the GoB”*. A Mid-

Term Review (MTR) by NORAD/Oslo was conducted in April 1997, and this summarised several organisational and management problems and the low quality/standard of work in the project. It also highlighted the lack of donor co-ordination in this subject. To meet with the recommendations in the MTR, the embassy required MoEF to present a revised project document. A review by the CMI in Norway criticised the demographic and socio-economic survey prepared under the project for being gender insensitive, lacking analytical depth, and in general being of a very low standard.

Despite its role in the project the IUCN conducted an evaluation of it during 1998 and concluded that most of the project targets had been achieved, but that a major multi-lateral supported initiative with the Ministry (SEMP supported by UNDP) had many similarities to the NCSIP. It argued that there was a need for MoEF to co-ordinate these projects better.

In an assessment of the documentation put together by NORAD/Oslo prior to the Annual Meeting 1999, it is stated that: *“despite GoB’s acceptance of nearly all the recommendations in the MTR, many of these have not been followed up.”* It concludes that there is a need for an LFA workshop in order to organise a proper project plan for the remaining period. It disagrees with IUCN that the project should be institutionalised, as it is contrary to the original aim and that NORAD therefore should not support an extension of the project. It is also doubtful of the contribution and role of IUCN in the project. In the Agreed Minutes from the Annual Meeting 25/3/99, it was decided to undertake an LFA workshop as the basis for a revised TAPP with no-cost extension. It was also decided that no more spending should be made on the demographic and socio-economic survey, that the activities under environment, education and awareness should continue in close consultation with the SEMP, and that the management plan on Barind Tract should be dropped from the project. Finally, MoEF should

also obtain information from FAPAD on the status for meeting the audit objections for 1996/97 and 1997/98. The LFA workshop was held in May 1999. Based on the LFA report, a revised TAPP was submitted with a no-cost extension period to December 2000.

A report by a representative from NORAD/Oslo concludes that NORAD should consider supporting the implementation of the management plans in close collaboration with UNDP/SEMP and the World Bank and that this would be in accordance with NORAD's general policy and the MoU.

There are a number of issues that suggest the need to review the NCSIP for its strategic significance. Throughout the project documentation the poverty focus in the NCSIP is difficult to identify. It is also clear that the co-ordination issue has been extremely relevant from an early stage. The challenge of co-ordinating within the MoEF and with a further major donor activity (SEMP) has never been satisfactorily resolved. Finally, the UNDP SEMP project ran into major corruption problems in the MoEF in 1999 and while there has been some concern evident in this project, these major difficulties highlighted by another international agency suggest that more careful scrutiny of the NCSIP might be prudent. Whilst the NCSIP may be a good case of NORAD doing things right, the question remains as to whether it has been doing the right thing in the NCSIP.

2. The Environmental Impact of the Shrimp Farming Project

This is a collaborative research project between BAURES/Bangladesh and Rogaland Research Institute (RF) and NIVA/Norway. The project was originally initiated in February 1995. The rationale was that shrimp farming was considered to be a rapidly expanding industry with huge potential. It has been claimed that the project is in line with the MoU in addressing problems in the sector with the potential to promote economic growth and increase employment and income for the poor. The project was found to contribute to development

of a GoB policy towards sustainable management of shrimp farming and was assessed as gender neutral. Expert assessment of phase 1 was critical about the lack of socio-economic dimensions and the orientation of the project: "It is important to ask whether NORAD wishes to support research which is oriented towards servicing the development of commercial shrimp aquaculture (which is responsible for so many negative environmental and social impacts)." Although negative in tone, the assessment recommended continuation of the project with a number of additional conditions. A final revised project proposal for phase 2 was submitted by BAURES in 1999. This added a socio-economic survey, a mangrove forest GIS mapping component, and had a stronger emphasis on organisational capacity building and dissemination of the project outputs. Close examination of the Appropriation Document for Phase 2 raises a number of concerns. It states that the development objective of the project was: to ensure sustainable coastal shrimp farming in Bangladesh. The same justification as for phase 1 was used and the assessment was minimally modified to incorporate the socio-economic dimension. It states: "the project aims to improve any negative effects of shrimp farming on the environment but it essentially aims at servicing the shrimp aquaculture industry rather than studying the problems that are caused (which are responsible for so many negative environmental and social impacts)." A Progress Report (Jan-May 2000) was submitted in June 2000, noting that: the research was ongoing, that several negative social consequences had been identified (especially for non-shrimp farmers) and that the economic benefits were only reaching a section of the population. What is striking about the documentation in this project is the virtually complete absence of any reference to the very extensive literature in Bangladesh over the last decade on the very serious adverse social, political and economic consequences of shrimp farming in the lives of poor people. While the environmental problems are undoubtedly of concern, the question still remains as to whether the fundamental rationale for this project is correct, given the overriding objective of poverty alleviation.

Annex 5 NGOs working in Human Rights and Democracy

Rights-based organisations working with discriminated groups	Organisations promoting democratic values and principles	Cultural based approaches to human rights and democracy
<ol style="list-style-type: none"> 1. Association for Community Development 2. Aparajeyo Bangladesh 3. Ain o Shalish Kendra 4. Bandhu Social Welfare Society 5. Bangladesh Mahila Parishad 6. Bangladesh National Women Lawyers' Association 7. Banchte Shekha 8. Bangladesh Women's Health Coalition 9. Centre for the Rehabilitation of the Paralysed 10. Jagorani Chakra 11. Naripokkho 12. Sabalamby Unnayan Samity 13. Madaripur Legal Aid Association 14. Karmojibi Nari 15. Women for Women 16. Samata 	<ol style="list-style-type: none"> 1. Khan Foundation 2. News Network 3. Bureau of Human Rights Bangladesh 4. World Literature Centre 5. Democracy Watch 6. Centre for Development Communication 7. Working for Better Life 8. Association of Development Agencies 	<ol style="list-style-type: none"> 1. Centre for Asian Theatre 2. International Centre for Study of Bengali Arts 3. Janobibhab Unnayan Kendro 4. Theatre for Social Development 5. Lokonaty o Unnayan Kendro (LOSAUK)

Bibliography

- Ahmad, M.J. (1996). *Parliamentary Election 1996: Voting Behaviour of Rural Electorate in Bangladesh*. Bogra: Rural Development Academy.
- Ahmed, SF. & Co. (2000). *Final Report on Special Audit of Female Secondary Education Stipend Project*. Mimeo.
- Ain o Shalish Kendro. (1999). *Human Rights in Bangladesh 1998*. Dhaka: University Press Limited.
- Ain o Shalish Kendro., Bangladesh Legal Aid and Services Trust., & Odhikar. (1997). *Human Rights in Bangladesh 1996*. Dhaka: University Press Limited.
- Asian Development Bank. (1998). *Secondary Education Sector Development Plan 2000 – 2010 Bangladesh*. Dhaka: Asian Development Bank.
- Association for Community Development. (1995). *International Migration of Women: A Case Study on Causes and Consequences*. Rajshahi: ACD.
- Audit Directorate. (1999). *Auditors Report on Accounts of Distribution of Free Text Books in the Primary Schools of Dhaka, Rajshahi and Khulna Division Project (PEDPQI)*. Dhaka.
- Audit Directorate. (2000). *Auditor's Report on the Accounts of Primary Education Development Project (Phase II) Financed Under NORAD Grant for Period Ending June 1999*. Dhaka.
- Bangladesh Bank (1979). *Problems and Issues of Agricultural Credit and Rural Finance: Deliberations of the International Workshop on Providing Financial Services to the Rural Poor*. Dhaka: Bangladesh Bank.
- Barua, P., Hossain, I., & M. Huda. (2001). *Assessment and Improvement of Project Concept Paper (PCP) for Rajshahi Krishi Unnayan Bank, Small Enterprises Development Credit Programme*. Prepared for Royal Norwegian Embassy, Dhaka.
- Bayes, A; J., von Braun., & R. Akhter. (1999). *Village Pay Phones and Poverty Reduction. Insights from Grameen Bank Initiative in Bangladesh*. Program for Research on Poverty Alleviation, Grameen Trust, and Center for Development Research, University of Bonn.
- Bhattacharya, D., & R.A.M. Titimur. (2000). *Poverty Reduction in Bangladesh: Absence of a National Framework, An Abundance of Donors' Strategies*. CPD Occasional Paper Series, Paper 4. Dhaka: Centre for Policy Dialogue.
- BIDS (Bangladesh Institute of Development Studies). (2001). *Fighting Human Poverty: Bangladesh Human Development Report 2000*. Dhaka: BIDS.
- BNWLA (Bangladesh National Women Lawyers' Association). (undated). *Study on Women Prisoners of Bangladesh*. Dhaka: Bangladesh National Women Lawyers Association.
- BNWLA. (1998). *Existing Laws on Informal Sector for Women Labour in Bangladesh*. Dhaka: Bangladesh National Women Lawyers' Association.
- BNWLA. (2000). *Socio-economic Correlates of Child and Woman Trafficking: A Study on Six Areas of Bangladesh*. Mimeo Draft Copy. Dhaka.
- BRAC (Bangladesh Rural Advancement Committee). (1979). *Who Gets What and Why?* Dhaka: BRAC.
- BRAC. (1999). *NFPE Report Phase 2, April 1996 – May 1999*. Dhaka: BRAC.

- CDRP-Eduplus Consultants. (1995). *Appraisal Report on Restructuring and Expansion of FESP funded by NORAD*. Dhaka: NORAD.
- Cederroth, S. (undated). *Bangladesh. Approaching the 21st Century*. SIDA Asia Department and Nordic Institute for Asian Studies.
- Centre for Development Studies, University of Bergen. (1997). *NGOs as a Channel in Development Aid*. Evaluation Report 3.95 submitted to Royal Ministry of Foreign Affairs, Norway. Oslo: Royal Ministry of Foreign Affairs.
- Chowdhry, N., & S. Chowdhury. (1996). *Assessment of Bangladesh Mahila Parishad*. Report. Dhaka.
- Chowdhury, Choudhury & Nath. (1999). *Hope Not Complacency: The State of Primary Education in Bangladesh 1999*. Dhaka: CPE/UPL.
- Conway, T., & S. Maxwell. (1999). *Country Programme Evaluation: Synthesis Report*. Paris: OECD/DAC.
- CPD (Centre for Policy Dialogue). (2000a). *Poverty Alleviation Strategies: National Priorities and Donors' Perspectives*. Dhaka: Centre for Policy Dialogue.
- CPD. (2000b). *1998 Floods, Post-Flood Agricultural Rehabilitation Programme and Growth Performance*. Dhaka: UPL/CPD.
- CMI (Chr. Michelsen Institute). (1986). *Bangladesh: Country Study and Norwegian Aid Review*. Bergen: Chr. Michelsen Institute.
- Democracy Watch. (2001). *Survey Reports on Some Socio-Political Issues in Bangladesh*. Dhaka: Democracywatch.
- Development Associates. (1999). *Evaluation: Danish Development Assistance to Bangladesh*. Evaluation Study 1999/3 submitted to Danish Ministry of Foreign Affairs.
- Devine, J. (1999). *One foot in Each Boat: The Macro Politics and Micro Sociology of NGOs in Bangladesh*. Unpublished PhD Thesis, University of Bath, UK.
- DNFE (Directorate of Non-Formal Education). (1997). *Project Concept Paper: Non-Formal Education Project – II*. Dhaka: Primary and Mass Education Division.
- DNFE. (2000). *Non-Formal Education in Bangladesh*. Dhaka: Government of the People's Republic of Bangladesh.
- DFID (Department for International Development). (2000). *Realising Human Rights for Poor People*. London: Department for International Development.
- DPE/PMED. (1999). *Annual Review of Project Support Primary Education Programme (PEDPQI)*. Dhaka, DPE/PMED.
- DSHE (Directorate of Secondary and Higher Education). (undated). *Female Secondary Education Stipend Project – 2nd Phase (NORAD)*. Dhaka: Ministry of Education.
- DSHE. (1992). *Project Concept Paper. General Education Project: Female Secondary Education Stipend Project*. Dhaka: Directorate of Secondary and Higher Education.
- ECON. (1998). *Completion Evaluation of the Bangladesh Petroleum Institute (BPI)*. Memorandum 14/98, Oslo, April.
- ECON. (1999). *Grameen Bank at 20: Impact and Future Challenges*. Joint Review. Grameen Bank and Norwegian Embassy. Dhaka/Oslo.
- Feldberg, K.B., & S. Ostberg. (1999). *The Bangladeshi Primary Education Development Project for Quality Improvement*. Joint Annual Review.

- Female Secondary Education Stipend Project. (1995). *Project Monitoring Report*. Dhaka: Project Co-ordination Unit, General Education Project.
- FREPD (Foundation for Research on Educational Planning and Development). (2001). *Mid-term Evaluation of Non-Formal Education Project – 2: Final Report*. Dhaka: Government of People's Republic of Bangladesh, Primary and Mass Education Division, Directorate of Non-Formal Education.
- Golub, S. (1997). *A Measure of Choice: A Strategic Review of the Madaripur Legal Aid Association's Current Impact and Possible Future Directions*. Prepared for the Ford Foundation, the Madaripur Legal Aid Association, the Norwegian Agency for Development Cooperation and the Asia Foundation. Dhaka: Mimeo.
- GoB (Government of Bangladesh). (1997). *Agreement Between GKN and GOB Regarding Assistance to Primary Education Development Project for Quality Improvement: Textbook Paper Component*. Dhaka.
- GoB. (1988). *The Fifth Five-Year Plan 1997-2002*. Dhaka: Bangladesh Bureau of Statistics.
- GoB. (2000). *Annual Review 2000. Report*. Dhaka: DPE, PMED and GOB.
- GoB. (2000). *Report of Public Administration Reform Commission, June, 2000*.
- Grindle, M. & J. Thomas. (1991). *Public Choices and Policy Change: The Political Economy of Reform in Developing Countries*. Baltimore: John Hopkins Press.
- Harrison, M., Sevilla, L., Robson, K., & J. Studwick. (1997). *Primary Education Development Programme Bangladesh, Report of Pre-Appraisal Mission February 1997*. London: ODA.
- Hassan, F., and M. Hasan. (undated). *Ideas Paper for the Seminar on Rethinking Confrontational Politics: A Reform Agenda by the Civil Society*. Mimeo.
- Hausermann, J. (1998). *A Human Rights Approach to Development*. London: Rights and Humanity.
- Hulme, D. (2000). "Impact Assessment Methodologies for Microfinance: Theory, Experience and Better Practices", *World Development*. Vol.28 (1), pp.79–98.
- HCU (Hydrocarbon Unit). (2001). *Semi-Annual Progress Report of Strengthening of the Hydrocarbon Unit in the Ministry of Energy and Mineral Resources, July–December 2000*. Dhaka: Ministry of Energy and Mineral Resources.
- Institute of Policy Studies. (1998). *Report on Support to Democracywatch*. Dhaka.
- International Labour Organisation. (2000). *Terminal Report, Technologies for Rural Employment with Special Reference to Women and Sustainable Development. November 1993–December 1999*. Dhaka: ILO.
- Jansen, E. G. (1987). *Rural Bangladesh: Competition for Scarce Resources*. Dhaka: University Press Limited.
- LAPCS (Legislative Advocacy and Participation of the Civil Society Project). (1997a). *Legislative Advocacy for the Regulation of Election Expenses in Bangladesh*. Occasional Paper 1. Dhaka: Prominent Printers.
- LAPCS. (1997b). *Legislative Advocacy for the Establishment of Human Rights Commission in Bangladesh*. Occasional Paper 2. Dhaka: Prominent Printers.
- LAPCS. (1998). *Legislative Advocacy for the Establishment of the Office of Ombudsman in Bangladesh*. Occasional Paper 3. Dhaka: Prominent Printers.

- LAPCS. (1999). *Towards a Human Rights Commission for Bangladesh*. Dhaka: Prominent Printers.
- Lauglo, J. (1994). *Education in Bangladesh*. A Desk Study commissioned by NORAD, June 1994.
- LCG (Local Consultative Group), Sub-Group for Education. (1999). *Bangladesh Education Sector Strategy Note; Prepared for the Development Forum, Paris*. Dhaka: LCG.
- Local Gender Consultancy. (2000). *Local Gender Consultancy for the NFE Projects of the DNFE/ GOB for the period April 1999 – June 2000*. Dhaka: Steps Towards Development.
- McGregor, J., & C. Laurence. (2000). *Guidelines for the Preparation of a Pro-Poor Civil Society Strategy*. Centre for Development Studies, University of Bath, UK.
- MFA (Royal Norwegian Ministry of Foreign Affairs). (1992). *Om utviklingstrekk i Nord-Sør- forholdet og Norges samarbeid med utviklingslandene*. Report No 51 to the Storting (1991–1992). Oslo: MFA. (in Norwegian only).
- MFA. (1995). *A Changing World. Main Elements of Norwegian Policy towards Developing Countries*. Report No. 19 to the Storting (1995–96). Oslo: MFA.
- MFA. (1997). *A Strategy for Women and Gender Equality in Development Co-operation*. Oslo: MFA.
- MFA. (1999a). *Focus on Human Dignity: A Plan of Action for Human Rights*. Report No. 21 to the Storting (1999–2000). Oslo: MFA.
- MFA. (1999b). *Summary Report from Seminar on Approach and Methodology to Country Strategy Evaluation*. Oslo: MFA.
- MFA. (1999c). *Summary Report from Seminar on Approach and Methodology to Country Strategy Evaluation*. Oslo: MFA.
- MFA. (2000). *Focus on Norwegian Development Cooperation*. Oslo: MFA.
- Ministry of Education. (2000). *National Education Policy 2000*. Dhaka: Government of the People's Republic of Bangladesh.
- MOEMR (Ministry of Energy and Mineral Resources). (1999). *Information Booklet on Ministry of Energy and Mineral Resources, Government of Bangladesh*. Dhaka.
- MOEMR. (2001). *Brief on the Project on Strengthening of the Hydrocarbon Unit in the Ministry of Energy and Mineral Resources (MOEMR)*. Dhaka.
- Molyneux, M. (1985). "Mobilisation Without Emancipation: Women's Interests, the State and Revolution in Nicaragua", *Feminist Studies* 11(2).
- Mushtaque, A., Chowdhury, R., Chowdhury, R.K. & R. Nath. (1999). *Hope not Complacency: State of Primary Education in Bangladesh 1999*. Campaign for Popular Education, Dhaka: The University Press.
- NCG (Nordic Consulting Group). (2000a). *Mid-term Review, Area Coverage Rural Electrification Phase V-A (Bhola PBS), Bangladesh*. Oslo.
- NCG. (2000b). *Mid-term Review of Kurigram Poverty Alleviation Project (KPAP)*. Oslo/Dhaka.
- NCG. (2000c). *Rapid Appraisal of The Gaibandha PBS Rural Electrification Project, Bangladesh*. Oslo.
- NCG. (2000d). *Evaluation Summary. Norwegian Support to the Education Sector. Overview of Policies and Trends 1988–1998*. Oslo: LINS.

- NCG. (2001). *Review of NORAD Support to Jute Development in Bangladesh*. Oslo.
- NFEP 2 Appraisal Team. (1997). *Appraisal Report of Non-Formal Education Project -2 for the Governments of Sweden and Norway*. Mimeo.
- NORAD (Norwegian Agency for Development Cooperation). *Norsk bistand i tall* (Norwegian Assistance in Figures), Annual Editions 1995–2000. Oslo.
- NORAD. (1995). *Support to Education Sector, with Focus on Primary, Secondary and Basic Adult Education. Basic Principles*. Dhaka: NORAD.
- NORAD. (1996) *The Education Sector in Bangladesh. Interests and Concerns regarding Norwegian Assistance*. Dhaka: Royal Norwegian Embassy/ NORAD.
- NORAD. (1998). *Programme and Project Cycle Management. Manual for Government to Government Cooperation*. Oslo: NORAD.
- NORAD. (1999a). *NORAD Invests in the Future: NORAD's Strategy for 2000–2005*. Oslo: NORAD.
- NORAD. (1999b). *Recipient Responsibility and the Practice of NORAD's Role as Donor*. Oslo: NORAD.
- NORAD. (1999c). *The Logical Framework Approach (LFA). Handbook for Objective Orientated Planning*. 4th Ed. Oslo: NORAD.
- NORAD. (2001). *Handbook in Human Rights Assessment. State Obligations, Awareness & Empowerment*. Oslo: NORAD.
- Norplan., Ahmed, S.F., & Co. (1997). *Norwegian Commodity Assistance and Parallel Financing to Rural Electrification Board. Review Report*. Norplan, Oslo and Dhaka
- Norwegian Embassy Dhaka. (undated a). *Good Governance and Anti-Corruption Action Plan 2000–2001*. Dhaka. Mimeo.
- Norwegian Embassy Dhaka (undated b) *Human Rights and Democracy in Bangladesh: A Strategy for Norwegian Support*. Dhaka. Mimeo.
- Norwegian Human Rights Fund. (1998). *Annual Report 1998*. Oslo. Mimeo.
- NRECA (1997). *Report of Study of the Impact of the Bangladesh Rural Electrification Program on Groundwater Quality*. USAID funded study. Dhaka.
- Ofstad, A. & E.N. Tjonneland. (1999). *Policies and Strategies for Poverty Reduction in Norwegian Development Aid: A Review*. Oslo: MFA, Evaluation Dept.
- Ostberg, S, & O. Smukkestad. (2000). *The Bangladeshi Primary Education Development for Quality Improvement*. Report from Joint Annual Review May 2000. Oslo: LINS.
- Pathmark Associates Ltd. (2000). *Evaluative Study on Socio-economic Impact of the Female Secondary Education Stipend Project (FESP) in Bangladesh*. Draft Report. Dhaka: Government of Bangladesh.
- PIU-FESP2 (Project Implementation Unit Female Secondary Education Stipend Project 2). (2000). *Semi-Annual Report 2000 (January – June)*. Dhaka: Ministry of Education, Directorate of Secondary and Higher Education.
- PMED (Primary and Mass Education Division). (2001). *Annual Review 2001: Performance of the Projects under the Primary Education Development Project (PEDP)*. Dhaka: Directorate of Primary Education, Ministry of Education.
- Poate, D., Riddell, R., Chapman, N., Curran, T. et al. (2000). *The Evaluability of Democracy*

- and Human Rights Projects. Volumes One and Two.* Sida Studies in Evaluation 00/3. Stockholm, Sweden.
- Rahman, H.Z., & M.Hossain (eds). (1995). *Rethinking Rural Poverty: Bangladesh as a Case Study.* London: Sage Publications.
- RAKUB (2000). *Small Enterprises Development Credit Programme. To be implemented with NORAD Assistance.* Dhaka.
- REB (Rural Electrification Board). (1999). *Annual Report 1998–99.* Dhaka.
- REB. (2001). *Management Information System (MIS) for the Month of January 2001.* Dhaka, February.
- Richardson, D., Ramirez, R., & M. Haq. (2000). *Grameen Telecom's Village Phone Programme in Rural Bangladesh: A Multi-Media Case Study.* TeleCommons Development Group, Ontario.
- Royal Norwegian Embassy Bangladesh. (1997). *Appraisal Report on Female Education Stipend Project. Final Draft.* Dhaka: Royal Norwegian Embassy.
- Sarwar, S. (2000). *Socio-economic Conditions and their Impact on the Status of Girls in the Border Belt Area of Bangladesh.* Dhaka.
- Scanteam. (2000). *Agrani Bank Small Enterprises Development Project. Mid-term Review.* Oslo.
- Sedere, M.U. (1999). *A Provisional Sketch Report on Human Resource Development Plan.* Prepared for DPE and PMED.
- Sedere, M.U., Aspenes, H., & M.M. Hossain. (1997). *Bangladesh Norwegian Appraisal Mission on PEDPQI.* Dhaka: Royal Norwegian Embassy.
- Sedere, M.U., Hossain, A., & A. Jabbar. (2000a). *First Quarterly Report by Consultants Appointed under PEDPQI, Progress of Work.* Dhaka.
- Sedere, M.U., Hossain, A., & A. Jabbar. (2000b). *Progress Report End of Year Contract.* Consultants under PEDPQI Contract. Dhaka.
- Sedere, M.U., Hossain, A., & A. Jabbar, A. (2000c). *Institutional Capacity Building Through Human Resource Development for Quality Improvement.* Draft Report for PEDPQI. Dhaka.
- Selbervik, H. (1997). *Aid as a Tool for Promotion of Human Rights and Democracy: What Can Norway Do?* Evaluation Report 7.97 submitted to Norwegian Ministry of Foreign Affairs. Oslo: MFA.
- Selbervik, H. (1999). *Aid and Conditionality. The Role of the Bilateral Donor: A Case Study of Norwegian-Tanzanian Aid Relationship.* Evaluation Report 6.99 submitted to Norwegian Ministry of Foreign Affairs. Oslo: Ministry of Foreign Affairs.
- Shamannay, Unnayan and Development Design Consultants. (1996). *A Socio-economic Impact Evaluation of The Rural Electric Program in Bangladesh.* Dhaka.
- Sigvaldsen, E., Uddin, M. Md., & A. Howladar, A. (1999). *Female Secondary Education Stipend Project. Review 1999.* Oslo: Centre for International Education, Faculty of Education, Oslo College.
- Small Enterprise Development Project. (2000). *TAPP for Main Phase-II Credit Line for Small Scale Enterprises.* Dhaka: SEDP Projects Unit.
- Smith, R.L. et al. (1996). *Report of an Appraisal Mission – Primary Education Development Project for Quality Improvement.* Dhaka: Royal Norwegian Embassy.
- Smith, R.L., Ostberg, S., & O. Smukkestad. (1999). *Report on a consultancy regarding*

- the Bangladesh Primary Education Development Project for Quality Improvement*. Oslo: LINS.
- Smith, S. (1999). *Report on the Members' Perceptions of the Kurigram Poverty Alleviation Project*. Dhaka.
- Sundstrom, B. (2000). *Country Analysis of Bangladesh*. Report prepared for SIDA, Bangladesh.
- Swedec TA Team. (2000a). *Fourth Progress report on Technical Assistance to the Non-Formal Education Program and the Directorate of Non-Formal Education in Bangladesh (mid-February to mid-July 2000)*. Dhaka: Primary and Mass Education Division, Directorate of Non-Formal Education.
- Swedec TA Team (2000b). *Monitoring the Pilot Program: NFE 2/3 Technical Assistance Team's First Monitoring Report, September 21, 2000*. Dhaka: Primary and Mass Education Division, Directorate of Non-Formal Education.
- Swedec TA Team (2001). *Monitoring the continuing education phase of the PLCE pilot program among four implementing agencies (NGOs). Findings and suggestions: A tentative and draft report and working paper for discussions. January 26, 2001*. Dhaka: Primary and Mass Education Division, Directorate of Non-Formal Education.
- Thornton, P., Devine, J., Houtzager, P., & Wright, D. (2000). *Partners in Development: A Review of Big NGOs in Bangladesh*. Report commissioned by DFID, Bangladesh. Dhaka.
- UNDP (United Nations Development Programme). (2000). *Human Development Report 2000 – "Human Rights and Human Development"*. New York: Oxford University Press.
- Verulam Associates. (2000a). *Human Rights and Democracy in Bangladesh: NORAD's Current Approach*. Dhaka: Mimeo.
- Verulam Associates. (2000b). *Human Rights and Democracy in Bangladesh: Context for a Strategy*. Dhaka: Mimeo.
- Wiig, A. (2000). *Bangladesh Severe Poverty and a Well Functioning Economy?* Chr Michelsen Institute. NORAD commissioned report.
- World Bank. (1998). *Project Appraisal Document on a Proposed Interim Trust Fund Credit in the Amount SDR 111M Equivalent to the People's Republic of Bangladesh for a Primary Education Development Project*. Report No 17271 – BD, World Bank, South Asia Region.
- World Bank. (2000a). *Taming Leviathan. Reforming Governance in Bangladesh. An Institutional Review*. Dhaka: World Bank.
- World Bank. (2000b). *Implementation Completion Report. Third Rural Electrification Project*. Washington DC.
- World Bank. (2000c). *Bangladesh: Education Sector Review Vols 1, 2 & 3*. Dhaka: University Press.
- World Bank. (2000d). *Corruption in Bangladesh: Costs and Cures*. Dhaka: The World Bank. Draft. Mimeo.
- Zomers, A. N., & H. Bosch. (2000). *Final Evaluation of the Netherlands Program Aid to the Rural Electrification in Bangladesh, 1996–2000*. Report to Royal Netherlands Embassy by SEM/Dutch Government Support Group for the Environment.

EVALUATION REPORTS

1.88	UNIFEM - United Nations Development Fund for Women	7.97	Aid as a Tool for Promotion of Human Rights and Democracy: What can Norway do?
2.88	The Norwegian Multi-Bilateral Programme under UNFPA	8.97	Evaluation of the Nordic Africa Institute, Uppsala
3.88	Rural Roads Maintenance, Mbeya and Tanga Regions, Tanzania	9.97	Evaluation of Norwegian Assistance to Worldview International Foundation
4.88	Import Support, Tanzania	10.97	Review of Norwegian Assistance to IPS
5.88	Nordic Technical Assistance Personnel to Eastern Africa	11.97	Evaluation of Norwegian Humanitarian Assistance to the Sudan
6.88	Good Aid for Women?	12.97	Cooperation for Health Development
7.88	Soil Science Fellowship Course in Norway		WHO's Support to Programmes at Country Level
1.89	Parallel Financing and Mixed Credits	1.98	"Twinning for Development". Institutional Cooperation between Public Institutions in Norway and the South
2.89	The Women's Grant. Desk Study Review	2.98	Institutional Cooperation between Sokoine and Norwegian Agricultural Universities
3.89	The Norwegian Volunteer Service	3.98	Development through Institutions? Institutional Development Promoted by Norwegian Private Companies and Consulting Firms
4.89	Fisheries Research Vessel - "Dr. Fridtjof Nansen"	4.98	Development through Institutions? Institutional Development Promoted by Norwegian Non-Governmental Organisations
5.89	Institute of Development Management, Tanzania	5.98	Development through Institutions? Institutional Development in Norwegian Bilateral Assistance. Synthesis Report
6.89	DUHs Forskningsprogrammer	6.98	Managing Good Fortune – Macroeconomic Management and the Role of Aid in Botswana
7.89	Rural Water Supply, Zimbabwe	7.98	The World Bank and Poverty in Africa
8.89	Commodity Import Programme, Zimbabwe	8.98	Evaluation of the Norwegian Program for Indigenous Peoples
9.89	Dairy Sector Support, Zimbabwe	9.98	Evaluering av Informasjonsstøtten til RORGene
1.90	Mini-Hydropower Plants, Lesotho	10.98	Strategy for Assistance to Children in Norwegian Development Cooperation
2.90	Operation and Maintenance in Development Assistance	11.98	Norwegian Assistance to Countries in Conflict
3.90	Telecommunications in SADCC Countries	12.98	Evaluation of the Development Cooperation between Norway and Nicaragua
4.90	Energy Support in SADCC Countries	13.98	UNICEF-komiteen i Norge
5.90	Intentional Research and Training Institute for Advancement of Women (INSTRAW)	14.98	Relief Work in Complex Emergencies
6.90	Socio-Cultural Conditions in Development Assistance	1.99	WID/Gender Units and the Experience of Gender Mainstreaming in Multilateral Organisations
7.90	Non-Project Financial Assistance to Mozambique	2.99	International Planned Parenthood Federation – Policy and Effectiveness at Country and Regional Levels
1.91	Hjelp til Selvhjelp og Levedyktig Utvikling	3.99	Evaluation of Norwegian Support to Psycho-Social Projects in Bosnia-Herzegovina and the Caucasus
2.91	Diploma Courses at the Norwegian Institute of Technology	4.99	Evaluation of the Tanzania-Norway Development Cooperation 1994–1997
3.91	The Women's Grant in Bilateral Assistance	5.99	Building African Consulting Capacity
4.91	Hambantota Integrated Rural Development Programme, Sri Lanka	6.99	Aid and Conditionality
5.91	The Special Grant for Environment and Development	7.99	Policies and Strategies for Poverty Reduction in Norwegian Development Aid
1.92	NGOs as Partners in Health Care, Zambia	8.99	Aid Coordination and Aid Effectiveness
2.92	The Sahel-Sudan-Ethiopia Programme	9.99	Evaluation of the United Nations Capital Development Fund (UNCDF)
3.92	De Private Organisasjonene som Kanal for Norsk Bistand, Fase I	10.99	Evaluation of AWEPA, The Association of European Parliamentarians for Africa, and AEI, The African European Institute
1.93	Internal Learning from Evaluations and Reviews	1.00	Review of Norwegian Health-related Development Cooperation 1988–1997
2.93	Macroeconomic Impacts of Import Support to Tanzania	2.00	Norwegian Support to the Education Sector. Overview of Policies and Trends 1988–1998
3.93	Garantiordning for Investeringer i og Eksport til Utviklingsland	3.00	The Project "Training for Peace in Southern Africa"
4.93	Capacity-Building in Development Cooperation Towards Integration and Recipient Responsibility	4.00	En kartlegging av erfaringer med norsk bistand gjennom frivillige organisasjoner 1987–1999
1.94	Evaluation of World Food Programme	5.00	Evaluation of the NUFU programme
2.94	Evaluation of the Norwegian Junior Expert Programme with UN Organisations	6.00	Making Government Smaller and More Efficient. The Botswana Case
1.95	Technical Cooperation in Transition	7.00	Evaluation of the Norwegian Plan of Action for Nuclear Safety Priorities, Organisation, Implementation
2.95	Evaluering av FN-sambandet i Norge	8.00	Evaluation of the Norwegian Mixed Credits Programme
3.95	NGOs as a Channel in Development aid	9.00	"Norwegians? Who needs Norwegians?" Explaining the Oslo Back Channel: Norway's Political Past in the Middle East
3A.95	Rapport fra Presentasjonsmøte av «Evalueringen av de Frivillige Organisasjoner»	10.00	Taken for Granted? An Evaluation of Norway's Special Grant for the Environment
4.95	Rural Development and Local Government in Tanzania	1.01	Evaluation of the Norwegian Human Rights Fund
5.95	Integration of Environmental Concerns into Norwegian Bilateral Development Assistance: Policies and Performance	2.01	Economic Impacts on the Least Developed Countries of the Elimination of Import Tariffs on their Products
1.96	NORAD's Support of the Remote Area Development Programme (RADP) in Botswana	3.01	Evaluation of the Public Support to the Norwegian NGOs Working in Nicaragua 1994–1999
2.96	Norwegian Development Aid Experiences. A Review of Evaluation Studies 1986–92	4.01	The International Monetary Fund and the World Bank Cooperation on Poverty Reduction
3.96	The Norwegian People's Aid Mine Clearance Project in Cambodia	5.01	Evaluation of Development Co-operation between Bangladesh and Norway, 1995–2000
4.96	Democratic Global Civil Governance Report of the 1995 Benchmark Survey of NGOs		
5.96	Evaluation of the Yearbook "Human Rights in Developing Countries"		
1.97	Evaluation of Norwegian Assistance to Prevent and Control HIV/AIDS		
2.97	«Kultursjokk og Korrektiv» – Evaluering av UD/NORADs Studiereiser for Lærere		
3.97	Evaluation of Decentralisation and Development		
4.97	Evaluation of Norwegian Assistance to Peace, Reconciliation and Rehabilitation in Mozambique		
5.97	Aid to Basic Education in Africa – Opportunities and Constraints		
6.97	Norwegian Church Aid's Humanitarian and Peace-Making Work in Mali		

Published by
The Royal Norwegian Ministry of Foreign Affairs
7. juniplassen 1/Victoria Terrasse
P.O. Box 8114 Dep., 0032 Oslo
NORWAY

Available on the Internet:
[http://odin.dep.no/ud/engelsk/publ/
rappporter/032091-990133/](http://odin.dep.no/ud/engelsk/publ/rappporter/032091-990133/)

Evaluation reports may be ordered from:
E-mail: eval@mfa.no
Fax: +47 22 24 35 40
Tel: +47 22 24 33 54

