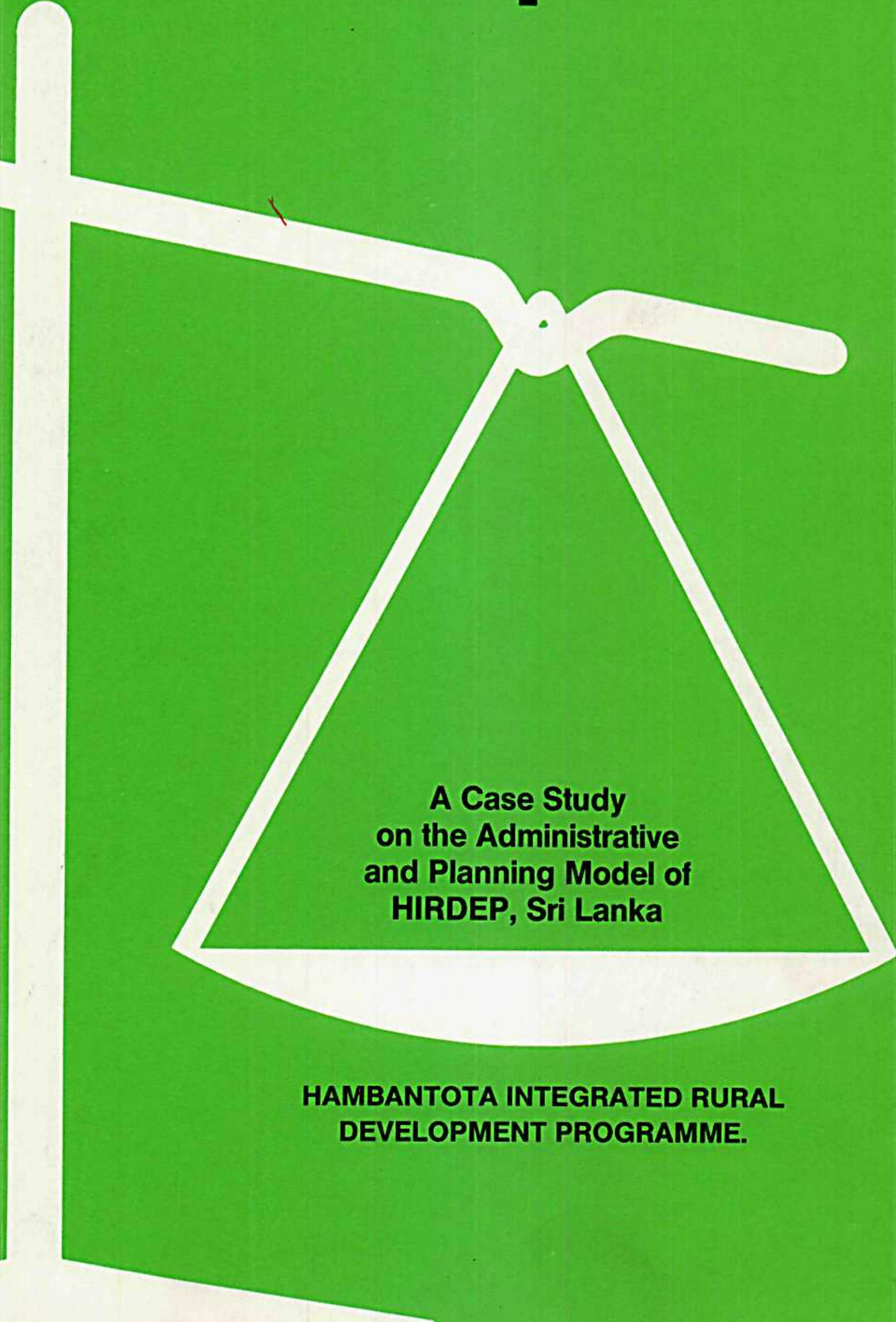




THE ROYAL NORWEGIAN MINISTRY
OF DEVELOPMENT COOPERATION

Evaluation Report 7.85



**A Case Study
on the Administrative
and Planning Model of
HIRDEP, Sri Lanka**

**HAMBANTOTA INTEGRATED RURAL
DEVELOPMENT PROGRAMME.**

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A CASE STUDY
ON THE ADMINISTRATIVE AND PLANNING MODEL
OF HAMBANTOTA INTEGRATED RURAL DEVELOPMENT PROGRAMME,
SRI LANKA

Prepared by: REIDAR DALE Oslo, September 1985

The views expressed in this report are those of the author and should not be attributed to the Royal Ministry of Development Cooperation.

CONTENTS

	Page
Foreword	4
1. Introduction	7
2. Preliminary Investigations and Initial Thinking	8
3. Formulation of a Basic Work Frame	9
4. Specification of the Goals	10
5. Integrated Development and Integrative Development Planning	11
5.1 Definitions	11
5.2 Justification and Elaboration of the Idea	11
5.3 Some Basic Aspects	13
6. Revolving Planning	17
6.1 Definition	17
6.2 Justification	17
6.3 Outline of a Work Model	17
6.4 Some Comments to the Operation of the Model in HIRDEP	19
6.5 More on Monitoring and Evaluation	19
6.6 More on the Annual Plan Documents	21
6.7 More on Financial Procedures	21
7. Institution Building and Augmentation of People's Participation	22
7.1 Training and Mobilization of Executing Bodies	22
7.2 Justification for Participation by Intended Beneficiaries	23
7.3 Basic Requirements for Participation	23
7.4 Efforts at Enhancing Participation in HIRDEP	24
8. Role and Administrative Procedures of the Donor Agency	27
8.1 General Approach	27
8.2 Administrative Adjustments	27
9. Evolution and Distribution of Projects	29

	Page
10. Issues which need Particular Attention in the Future	37
10.1 Harmonization between Planning at Different Spatial Levels	37
10.2 Monitoring and Evaluation	37
10.3 Operation and Maintenance	38
10.4 Coordination between IRDPs	39
10.5 Continuation of the Development Drive Initiated by the IRDPs	39
11. Summary of the Main Points	41

MAPS, FIGURES AND TABLES

		Page
Map 1	: Districts of Sri Lanka	5
Map 2	: Hambantota District	6
Fig.1	: Administrative Structure and Lines of Communication in Relation to HIRDEP	15
Fig.2	: Process of Planning, Implementation and Monitoring of Local Level Projects	26
Fig.3	: Sectorwise Evolution of Projects 1979-1984	30
Table 1	: Annual and Total Expenditures by Sector	33
Fig.4	: Annual Expenditures by Sector	34
Table 2	: Phases of Projects	35
Table 3	: Direct Functional Linkages to Preceeding Projects of Other Types	35
Fig.5	: Integration of Projects	36

FOREWORD

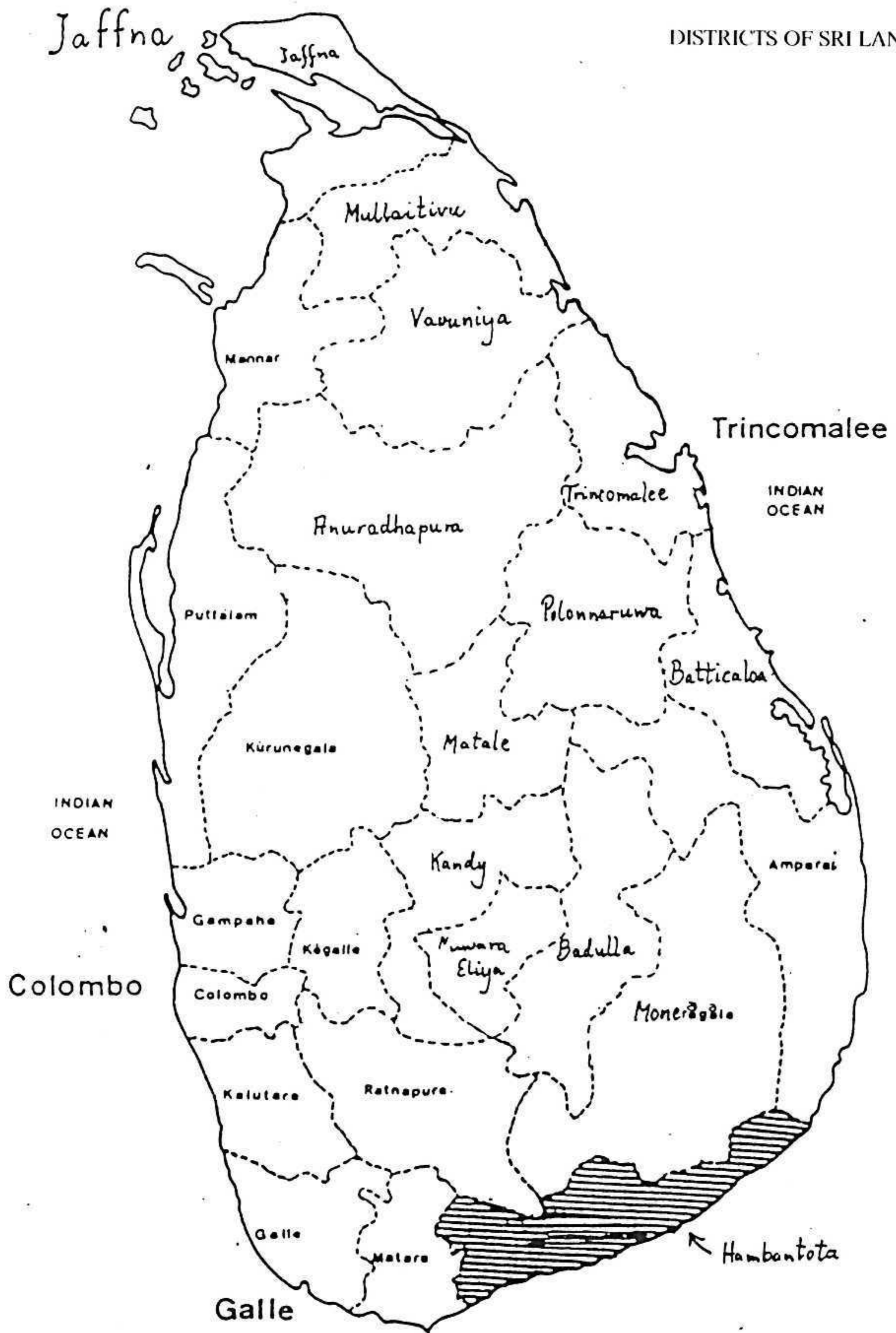
The report does not present an evaluation in the usual meaning. Rather, it is a presentation of an approach to rural development, which for the Norwegian Ministry of Development Cooperation is quite new. The cornerstones of the approach are participatory development and integrative and revolving planning. The approach has developed gradually and is a result of specific historic and present circumstances. Nevertheless, the experience in Hambantota has been met with wide interest, and a number of persons have termed this «a model for development».

The author, Norway's Previous Assistant Resident Representative in Sri Lanka, Reidar Dale, was particularly given the assignment to draft the report with a view to emphasize general experience which arises from the programme. However, both the author and the publisher are much aware that there are also specific preconditions for development in Hambantota as in other districts in Sri Lanka as well as in other countries.

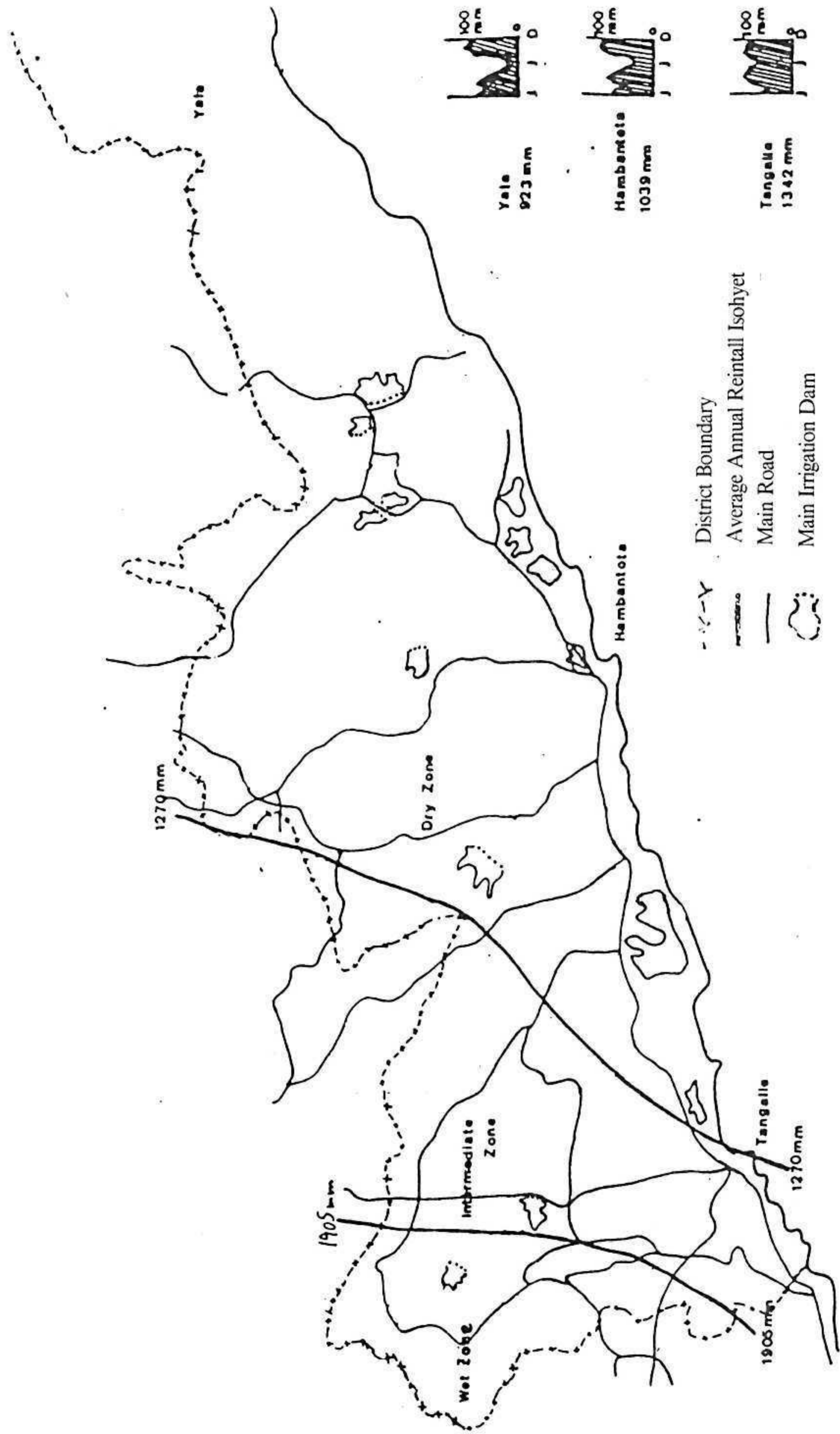
Oslo, April 15th, 1986

Jarle Hårstad
Acting Head
Evaluation Division

DISTRICTS OF SRI LANKA



Hambantota District



1. INTRODUCTION

Since 1977, Sri Lanka has been one of the main recipients of Norwegian public development assistance, administered by NORAD (the Norwegian Agency for International Development). The focal point of the assistance has been a comprehensive development programme for Hambantota, one of the country's 24 administrative districts. Such Integrated Rural Development Programmes (IRDPs) are being implemented in some other districts, financed by other donor agencies, but the work procedures which have come to be adopted in Hambantota are in important respects different from those practiced in most of the other districts.

From 1984, NORAD is also financing a second district development programme, for Moneragala, where the experiences from Hambantota are being applied to a large extent. However, this publication deals exclusively with the Hambantota Programme (HIRDEP).

2. PRELIMINARY INVESTIGATIONS AND INITIAL THINKING

During the initial discussions between NORAD and the Sri Lankan authorities, it became clear that the ideas of the latter regarding contents and approach were vague indeed. NORAD were, on their part, in an even weaker position to contribute to a fruitful dialogue on these issues at that time.

In 1977, NORAD therefore initiated a study by a group of geographers from the University of Oslo. Unfortunately, the study was inadequately prepared and rather badly designed, but nevertheless provided a basis for initial thinking, particularly within NORAD. It focused mainly on the living situation of various groups of people, the factors influencing this and possible development efforts. Some ideas about development strategy were also presented. Thus, the concept of revolving planning, which was to become a characteristic of the Programme, was introduced.

Following the reports by this group, another study with more explicit focus on HIRDEP was commissioned by NORAD. The two Norwegian consultants produced a valuable report, creating the basis for a formal decision by NORAD to support the Programme as well as providing some inputs to future planning. The report fully confirmed the pragmatic attitude of Sri Lankan decision makers and stressed their ad hoc approach to development work, with planning as something which was reluctantly accepted in order to obtain foreign funds. One positive aspect was, however, that they were willing to try out somewhat different approaches in different programmes. Thus, although a work model had already been designed for the World Bank supported Kurunegala IRDP, which was the first such programme to be launched, they did not insist that this approach should be fully adopted in Hambantota. This was necessary prerequisite for the gradual evolution of a model quite different from that applied in most other IRDP's.

The consultants' report advocated a multi-pronged strategy where the potential of both the Government machinery, non-governmental organizations and private investors should be exploited. They also made an attempt, although in rather unclear terms, to discuss the concepts of integration and integrated development. Their recommendation of an "all embracing" approach in planning right from the start proved unrealistic and would, if adopted, have reduced flexibility and the possibility of conducting meaningful revolving planning. Whereas the idea of simultaneous planning, implementation and monitoring, i.e. aspects of revolving planning, was presented, no real efforts were made to operationalize such a procedure.

Of most direct importance were the consultants' comments on project sketches which had been presented by the Sri Lankan authorities. The list of proposals was indicative of the ad hoc approach to development work, as it was based neither on sector analyses nor in systematic studies of people's needs.

The consultants' recommendations regarding the first projects to be adopted were followed. Whereas, in retrospect, one may question the selection of some of these, the very important fact remains that some activities were started on the basis of very rudimentary data and plans which enforced, to a larger extent than originally intended, the idea of "learning by doing" to the Programme. Whereas the unsatisfactory project planning in the initial stages was regrettable, it forced the involved parties to think untraditionally. From this, an alternative work model was gradually operationalized.

3. FORMULATION OF A BASIC WORK FRAME

From the start of the above mentioned study by the geographers, it took over two years until an Agreement was signed regarding Norwegian development assistance to Hambantota. In the course of this period, a NORAD office was established in Colombo and the administrative basis for cooperation was created from NORAD's side. The contents and approach were extensively discussed prior to the formulation of the Agreement, and some experiences were already being obtained from the first few projects, which were started before the formal basis for financing by NORAD had been established.

The Agreement on HIRDEP, signed 30th October 1979, specifies the following overall goal:

"The Programme aims at achieving an increase in income, employment and production as well as improvements of social conditions and living standards of men, women and children in the Hambantota District, with special emphasis on the poorest and disadvantaged groups."

This goal was to be sought realized by:

- (i) "an integrated approach, whereby efforts within the various fields are sought related to each other;
- (ii) a method of recurrent planning, whereby information from ongoing activities are continuously fed into a revolving planning procedure; and
- (iii) a method of concerned participation by the population of both sexes in a decentralized planning and implementation process."

In the Agreed Minutes of the 1980 Annual Meeting on the Programme (see later), the planning model to be sought realized is spelt out in more detail:

- (i) "The goal of the planning endeavours is a comprehensive, integrated plan for development of the District;
- (ii) The plan shall cover all important sectors and encompass projects to be implemented under HIRDEP. In addition, the plan shall take into consideration activities to be financed under the National Budget and the Decentralized Budget, in order to avoid overlapping and conflicts. The final aim should be a plan which comprises all development efforts in the District;
- (iii) A basic consideration in project identification and formulation shall be interdependence of the projects, in order that they will support each other towards the realization of the goals of the Programme;
- (iv) Comprehensiveness and integration will be sought realized gradually, through a revolving planning procedure. Basic to this procedure is a continuous reconsideration of the Programme, based on knowledge obtained through studies, systematic monitoring and evaluations, manifesting itself in yearly revisions of the District plan."

Thus the various activities (structured as and termed "projects") are being conceived, planned and implemented gradually over the Programme period.

4. SPECIFICATION OF THE GOALS

Three facts of the overall goal stated above may be pinpointed:

- (i) a broadbased upliftment of the quality of life of the population;
- (ii) particular emphasis on directly production oriented inputs with substantial and fast impacts on employment, income and productivity;
- (iii) priority to the poorest and otherwise most disadvantaged population groups.

The basic needs of the people are in focus and the Programme gives in principle room for any kinds of inputs which may improve the quality of life.

However, a certain emphasis on directly production oriented investments was sought realized from the beginning. There are two main reasons for this:

First, studies undertaken both in Hambantota and in other parts of Sri Lanka reveal employment and income as major desires and main priorities among most people, a fact which is easily understood in view of the dominance of the monetary economy throughout the country, as well as of the high level of unemployment and underemployment experienced during the last decades. Thus, the creation of remunerative employment opportunities may be the most effective overall measure for satisfying basic needs in Sri Lanka today. Second, increased production and higher productivity are necessary to create the economic base for the supply of social services. Such services are fairly well developed but their efficiency is hampered by, among other things, inadequate financial resources for proper running and maintenance.

Such economic base considerations are commonly made at the national level, but they should also be viewed as important in comprehensive regional development programmes, as these may have considerable impacts in the national economic situation.

To be able to give priority to specific social groups (point (iii) above), thorough information is needed about economic and social characteristics and structures, such as sources of income, income distribution, level of education, health situation, access to various economic and social services, economic and social relations between individuals and between groups, etc. Considerable efforts should be made to identify means and ways of assisting the most disadvantaged groups directly, as indirect (trickling down) effects for these groups from more general inputs may take a long time to materialize, or may not materialize at all. Such direct measures may require somewhat different criteria for social and economic returns than those applied for more general inputs. Moreover, one should always aim at removing existing barriers between these groups and other sections of society, to facilitate their participation in the mainstream of development.

5. INTEGRATED DEVELOPMENT AND INTEGRATIVE DEVELOPMENT PLANNING

5.1 Definitions

In recent literature on development, the following terms have come to be widely used:

Integration denotes interdependence between units of elements. Thus, characteristics of one of the units or elements are wholly or partially determined by characteristics of the other units or elements, and changes in one unit or element will generate predictable changes in the others.

Integrated development denotes a process of positive changes in a society which are largely caused by interaction between units and elements within the society itself. Changes in some unit or element — which may be the result of impulses from outside or within the particular society — will thus generate internal multiplier effects. In more concrete terms, units will support each other by producing commodities, physical infrastructure, knowledge, management practices, etc. in demand in the society. A related and commonly used term is **broadbased development**, which means that the process of changes is supported by many and diverse production units. Although functional relationships will normally exist between many of these units, this may vary. Thus, broadbased development may be more or less integrated.

Development planning simply means planning for development. When planning is for integrated development, we will use the term **integrative development planning**.

Sometimes, the term “integrated (development) planning” is used to denote the coordination of development efforts. This should be avoided, as it tends to blur the concept and idea of integrated development. Instead, one should use **coordinated (development) planning**.

5.2 Justification and Elaboration of the Idea

The notion of integrated development is largely derived from recent economic analyses of underdevelopment and development. The scene has most often been the international community and the approach has been structural, with focus on the complex relations between production units and/or economic sectors.

Measured at the national level, development indicators such as per capita income and income distribution are generally highly correlated with a country's diversity in production. Moreover diversification is triggered by complex internal demand — supply relations. In such integrated production systems, an investment creates new demands, which create more employment, higher salaries and higher profits, which again create greater demand and more money for investment.

In an industrialized society, a high degree of complementarity also exists between these economic elements and a large number of institutional, social and cultural elements, mutually supporting each other in the process of change.

Of course, elements such as good health and a high level of education are perceived as goals in themselves, not only as supportive elements for production and productivity.

Very important elements in the formation of diversified, technically advanced and integrated societies are elaborate and efficient administrative and management systems at all levels. Moreover, the individual systems are knit together and co-act towards the realization of broadly agreed sets of goals — within an unambiguous and well understood legal framework, stating clear lines and divisions of responsibility. A necessary aspect of this is decentralization of decision-making. Another aspect is an overall and indirect role for representative (political) bodies, in which these influence decision-making and guide societal development through general laws and regulations rather than through direct involvement in concrete matters. This is important in order to achieve unified, simple and effective administrative procedures.

In an underdeveloped society, there are numerous barriers to this type of development, resulting in fragmentation both economically, socially and institutionally. Most of these barriers can somehow be related to power structures — economic, political, institutional, social or cultural; traditional or imposed; and existing at various spatial levels.

Efforts at effectively combating such “structural heterogeneity” are also impeded by tendencies of increasing gaps between the types of technology which can be commanded by different groups of people.

Integrative development planning is, basically, an effort at harmonization, in order to promote interdependence and multiplier effects and the incapsulation of the whole population in the development process.

At the national level, such planning is sought realized in both developed and underdeveloped societies. Endeavours to systematically pursue the concept also at sub-national levels are, however, a fairly recent phenomenon. The justification for doing it is that local opportunities may be more easily detected and harnessed and sub-national diversification and multiplier effects promoted.

In HIRDEP, the question of linkages between the individual development efforts (projects) becomes gradually more important as the Programme proceeds. Any changes in a society tend to create imbalances, and the whole development process can be conceived as change of reactions to such imbalances, and at the whole development process can be conceived as chains of reactions to such imbalances. Likewise, integrative development planning can be conceived as planned promotion of such reactions — in a systematic manner and towards specific goals. Furthermore, the very justification of the revolving planning procedure adopted is the facilitation of this process, by enabling rapid reactions at the appropriate time.

A simple illustration of such an approach is where one starts with one project (which should have significant impacts on the living situation of the target groups), monitors and evaluates the project closely, and plans and implements additional connected projects in accordance with the needs and opportunities identified.

These projects may partly support the original project and partly exploit opportunities created by it. These derived projects may again create the basis and justification for other projects.

Although a programme such as HIRDEP is much more complex with focus on many population groups and a number of independent projects within many sectors, both initially and later, the approach outlined above remains a guiding principle.

It is important to consider both intra-district linkages and linkages with the outside world. The latter type of linkages are often preconditions for internal changes. But the magnitude and forms of these internal changes will, in their turn, largely depend on the degree of differentiation and the complementarity between the economic, institutional and social units and elements within the district.

5.3 Some Basic Aspects

(a) Planning levels

At how many levels should integrative regional development planning be undertaken? The answer may be influenced by the size and population of the country in question. For a relatively small country like Sri Lanka, there are strong arguments in favour of concentrating overall planning and coordination to one level only. This will reduce administrative complexity and help avoid diffuse relations of responsibility, corruption and other similar consequences of a large and fragmented bureaucracy. In Sri Lanka, the administrative district, of which Hambantota is one, have been chosen as the units in which integrative regional development planning is to be undertaken.

The fact that **overall** planning and coordination is undertaken at the district level does **not** imply that other functions are also taken care of at that level only. In fact, it is considered essential to decentralize project planning, implementation and monitoring to lower levels, wherever possible. Within HIRDEP, a three-level strategy has been gradually adopted, where Assistant Government Agent (A.G.A.) Divisions and Grama Sevaka (G.S.) Divisions have come to be considered equally important levels of operation. Within this district, there are 8 A.G.A. Divisions and 168 G.S. Divisions. The basic idea is that activities should be identified, planned, implemented and monitored at the lowest possible level with maximum degree of involvement by the beneficiaries, but under the overall guidance and coordination by the district authorities.

It is also important with good communication between the district level and the national level, in order to secure that national priorities are adequately considered in planning and that the experiences gained from the work in the district are adequately recorded and studied by central authorities and used as inputs in other development programmes. For these reasons, there will have to be a national level authority with sanctioning power.

(b) Size and Characteristics of the Planning Region

What is the most suitable size of such a planning region — in terms of population as well as physical extent? The answer to this question must be based on an analysis of a number of factors as they manifest themselves in the area concerned. A reconciliation will always be required between arguments pulling in favour of relatively large units and arguments in support of relatively small units.

Among the first are the requirements of a certain population and resource base to enable the creation of a diversified production system, a hierarchy of services and a functional transportation network. Thus, the introduction of very small planning units will unduly narrow the concept of integrative development planning. Against these arguments comes the whole bunch of arguments relating to knowledge of local conditions and potentials, popular participation and mobilization.

In reality, the existing administrative set-up should weigh heavily. This has probably been the

main justification for selecting the districts as planning units in Sri Lanka. However, they also seem to be reasonable units with the other factors mentioned above taken into consideration.

Hambantota District covers 2,600 km and has a population of just over 400,000, which corresponds to 4% of Sri Lanka's land area and 2.7% of the country's population. All the major climatic zones of Sri Lanka are represented. The district is somewhat fragmented functionally, lacking a major centre where all the public and private higher level services found in the district are available. Whereas resource variation may be an asset for an integrated development programme, functional fragmentation is a definite draw-back. It should, therefore, be counteracted by adequate measures to establish, among other things, an inwardly connecting communications network matched by a functional urban hierarchy.

(c) Administrative set-up

Two aspects are of particular importance:

- (i) the establishment of a strong body to make care of overall planning, coordination and monitoring within its area of perview; and
- (ii) the relations between this body and other Government institutions, non-Governmental organizations and individuals.

The core body should be permanently located within its area of operation and have easy access to information from all institutions involved in development activities in the district.

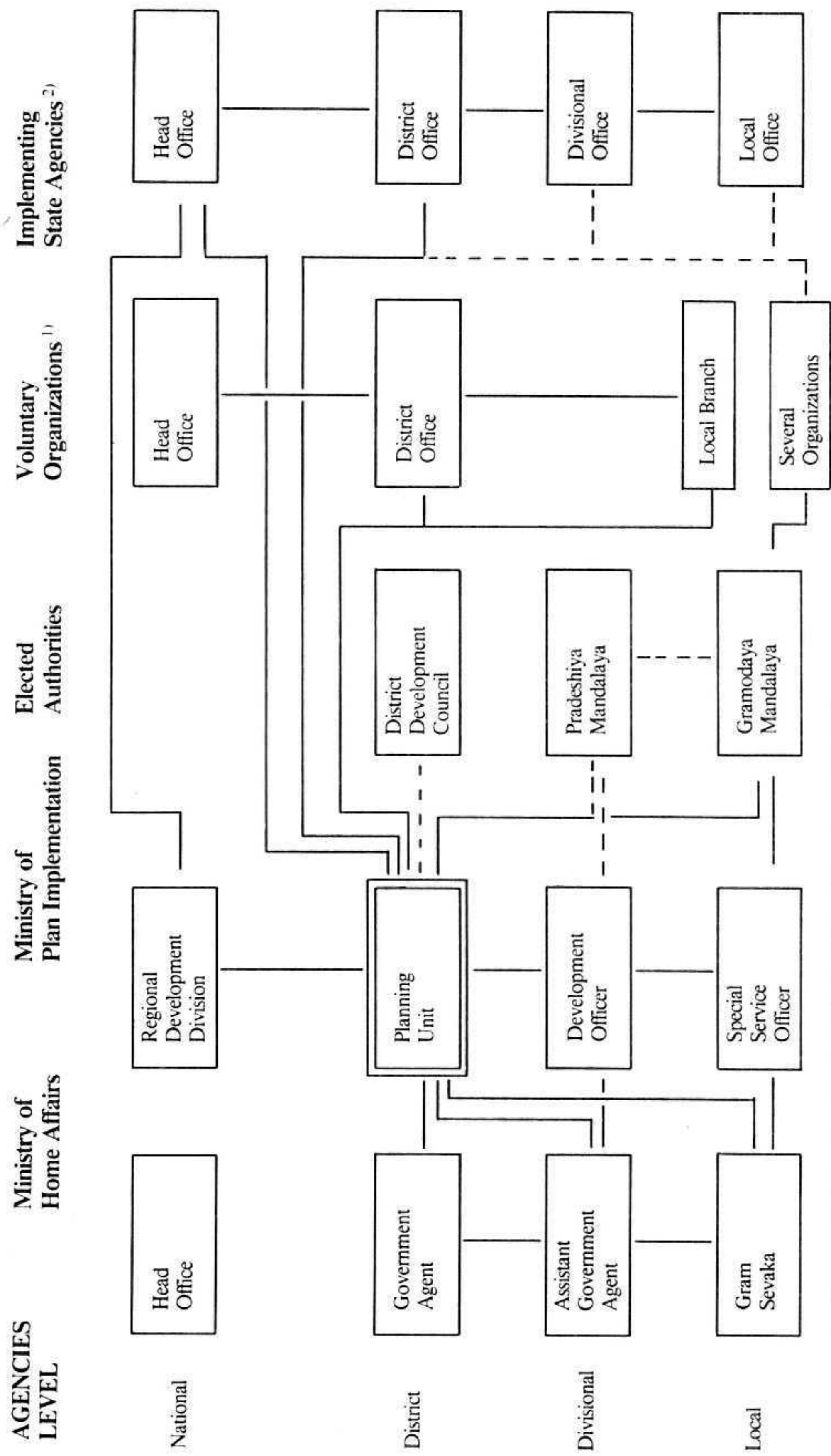
The administrative structure in relation to HIRDEP is shown in fig. 1.

In Sri Lanka, Planning Units exist within each district. These Units are most often headed by a Deputy Director, who is directly responsible to the Director of the Regional Development Division of the Ministry of Plan Implementation in Colombo. Under him, the head of the Planning Unit has Assistant Directors, Planning Officers, Development Officers and other staff in that hierarchical order. At the sub-district (divisional) level, there are Development Officers and at the local level Special Service Officers. Parallel to this structure of the Ministry of Plan Implementation there is the staff of the Ministry of Home Affairs with the Government Agent, Assistant Government Agent and Grama Sevaka of the district, divisional and local level respectively. The Planning Units are expected to play a major role in planning, monitoring and co-ordination, but have in practice not fulfilled the role very well. This situation is due to a number of factors, the most important of which may be heavy political involvement, also in detailed matters, fragmented administrative structures, and highly centralized decision-making.

A general strengthening of the planning capacity in the district was, however, envisaged with the introduction of the District Integrated Rural Development Programmes. The situation in Hambantota has improved considerably and, unlike in other IRDP districts, it is the already existing Planning Unit which has been strengthened to take care of overall planning, coordination and monitoring, i.e. no separate IRDP Unit has been established.

In HIRDEP, individual projects are most often planned in cooperation between the Planning Unit and the bodies to be responsible for implementation. The latter are either sectoral state departments (like Irrigation Department, Highways Department, etc.), people's organizations, or both types of bodies in cooperation. In some instances, the Planning Unit itself is in charge of implementation. In most such cases, it decentralizes considerable authority to staff at the divisional and even local level, who often collaborate with people's organizations.

FIG.1: ADMINISTRATIVE STRUCTURE AND LINES OF COMMUNICATION IN RELATION TO HIRDEP



1) The organizations with national and district offices are Sarvodaya and Redd Barna.
 2) Most agencies do not have representatives at the local level and some even at the divisional level.

It is noteworthy that no planning or implementing bodies have so far been created additional to existing administrative and representative institutions. Instead, one has achieved considerable enhancement of the capacity of existing institutions and personnel, largely through training and motivation programmes interwoven with planning, implementation and monitoring of projects (see later).

The consistent involvement of already existing permanent institutions has two essential advantages: First, adequate operation and maintenance of the facilities created are more easily secured, since the institutions to be in charge of these duties would have been in charge of or at least been involved in the planning and implementation of the projects in question. Second, one counteracts the unfortunate tendency in Sri Lankan administration to create new institutions as soon as existing ones are found not to function well, often without abolishing the latter. This has led to a degree of complexity not amenable to effective administration.

(d) Coverage

Integrative regional development planning should comprise the bulk of, preferably all, the public investments undertaken in the region. Lack of coordination of public investments normally leads to wasteful use of resources, whether money, machinery, skills or administrative capacity. Such uncoordinated investments may also blur and even disrupt the concepts of integrative development planning and make the realization of specific goals more difficult. If, for instance, a plan is being implemented within the fisheries sector aiming at an economic and social upliftment of the majority of the fisheries population, then separate investments in, say, a few big fishing vessels with modern equipment may be disruptive in a number of ways.

Fragmentation of decision-making and lack of coordination are major problems in Sri Lanka, and have also been experienced in Hambantota. There are four main venues of investment, namely, the National Budget, the Decentralized Budget, the District Development Council Budget and HIRDEP, and cooperation between various officials and departments has generally not been satisfactory.

Planning and implementation of projects under the National Budget are in Sri Lanka normally done quite independently by the various departments, often through strong political influence, and decision-making tends to be centralized. Funds under the Decentralized Budget and the District Development Councils are allocated through the district administrative authorities and the Planning Unit is supposed to plan and monitor. But generally, most decisions are taken by the Members of Parliament. In Hambantota, an amount of coordination between these budgets has, however, gradually been achieved. Although they have not been brought under the same decision-making framework and are not subject to the same planning and financial procedures, the Planning Unit has assumed greater say also in National and Decentralized Budget matters and direct conflicts between the various investments are avoided.

(e) Time Perspective

A comprehensive programme for integrated development should go on over a considerable number of years. All development efforts take time to materialize, especially when they involve, as in this case, the establishment and maintenance of a large number of complex relations, through a revolving planning procedure. In HIRDEP, the marginal benefits of investments have increased considerably as more knowledge has been acquired and better planning achieved, and are expected to increase further in future.

Thus, HIRDEP is, for the time being, open-ended and a longtime involvement is foreseen.

6. REVOLVING PLANNING

6.1 Definition

The revolving procedure is briefly defined in the Agreed Minutes of the 1980 Annual Meeting cited earlier. This planning procedure can be called a process model, where learning through experience is essential. Thus, the "plan" referred to in the above mentioned quotation will change over time.

6.2 Justification

The general justification for trying out such a step-wise, flexible model is to optimize benefits and facilitate realization of the goals of the Programme.

General experience from social research and development work is that it is virtually impossible to acquire sufficient knowledge to foresee all important changes as a result of complex programmes or projects.

As integrative regional development programme are complex indeed one can, in practical terms, never expect a pre-made plan to give any accurate account of the end results of the development efforts. Rethinking would, therefore, seem essential, allowing plan revisions and extensions as one goes along. In its turn, this would require an efficient system of knowledge accumulation through studies, monitoring and evaluations.

6.3 Outline of a Work Model

So far, however, there have been shortcomings in the implementation of a revolving planning procedure in HIRDEP. Particularly in the beginning, decision-making tended to be too ad hoc, with too much stress on individual projects and too little on integrative aspects and long-term strategies. In this connection, it should be stressed that the procedure which has now gradually been established is more the outcome of experiences gained after the Programme started than on firm principles formulated on beforehand. Further improvements are therefore expected.

In the following, a model for revolving planning is outlined, based on experiences from HIRDEP and now largely followed in this Programme.

(a) First Round (Period of Revolvment)

- (i) **Collection of basic data:** Data on economic, institutional, social, cultural, resource and ecological aspects are needed. They may be collected partly from existing statistics and study reports etc. and partly through supplementary studies. The main aim should be to acquire knowledge about the living situation of various social groups and the factors influencing this, with a view to identifying highpriority development efforts.

People's own views about development priorities and how they could be realized should be given considerable attention.

- (ii) **Feasibility studies:** Feasibility studies of the high priority efforts identified must be undertaken, comprising indicative benefit-cost assessments, considerations of technical alternatives, and assessments of the capacities for detailed planning, implementation and monitoring.
- (iii) **Formulation of Annual Plan Document:** Based on the collection of basic data, project identification and feasibility studies the Planning Unit should, within a specified date, prepare a plan document with main focus in the proposed programme of work for a limited time period, preferably one year.

The first document should include sketches of the projects intended started in the course of the following year and their indicative budgetary requirements for that year as well as for subsequent years.

- (iv) **Planning of the first projects:** After discussions between the involved parties of the proposed work programme, detailed project documents should be prepared specifying goals, inputs, activities, budgets, benefit-cost assessments, administrative responsibilities, implementation schedule and arrangements for monitoring and evaluation.

A formal approval of the projects by the donor agency should be given only after the submission of the detailed project documents. One will have to decide whether there should be any time limits for the presentation of such documents or whether they may be presented throughout the year.

- (v) **Baseline studies for later impact evaluations:**
As already stated, an important part of the information required for revolving planning should accrue from monitoring and evaluations. Of the latter, impact evaluations focus on changes in people's living situation as a result of the development efforts, and such evaluations require studies among the population groups affected. The first of these, called baseline studies, should be conducted before project implementation starts, in order that a data base for later studies of changes can be established.

- (vi) **Implementation and monitoring of the selected projects:**
Implementation should start and be undertaken as specified in the project documents. As already mentioned, one should, to the extent possible, rely on existing institutions, in order to avoid administrative duplication. Whenever necessary, a strengthening of the capacity of such bodies should be endeavoured. Also, participation by the target population should be encouraged and formalized to the extent possible.

Close monitoring is necessary, in order both to secure smooth implementation and to accumulate experiences for later planning.

With the tasks outlined under (i) — (vi) above, all the main work operations have been introduced to the Programme.

(b) Later Rounds (Periods of Revolvment)

In HIRDEP, one period of revolvment has been set as one year, which means that plan documents are to be presented annually. As follow-up of the baseline studies undertaken during the first round, evaluation studies will have to be conducted at later stages. Also, the need for additional basic information to that collected at the outset of the Programme period

will have to be continually considered and suitable measures to acquire such information taken. Normally, a combination of local community studies and sector studies will be needed.

In declining order of priority, focus after the first round should be on:

- (i) revisions of ongoing projects, whenever found necessary or advantageous;
- (ii) planning of projects complementary to those under implementation or finalized; and
- (iii) planning of any other projects, for which priority can be documented.

Thus, during the Programme period, the plan document should become gradually more refined, extensive and integrative.

6.4 **Some Comments to the Operation of the Model in HIRDEP**

In Hambantota, much important information was lacking when planning and implementation started. Moreover, much of the existing data were not adequately processed and rather unreliable. This lack of relevant and reliable basic information has been a barrier against sound project identification and good project planning, particularly during the first few years. From the inception, however, the data base has been gradually improved through local community studies, sector studies and monitoring and evaluations of completed and ongoing projects.

The low quality of feasibility studies and project documents in the beginning was also a reflection of inadequate experience among most of the staff in project identification and planning. But performance has gradually improved and quite a remarkable boost has been experienced after the introduction of a training and motivation programme (see later).

Similarly, the Annual Plan Documents have become more standardized and of higher quality. These documents are now presented to the donor agency each March and discussed in June at so-called Annual Meetings.

The administrative arrangements and procedures for monitoring and evaluation have been subject to intensive discussions, but it has proved difficult to establish a unified system (see later).

Thus, enhancement of administrative capacity, introduction of more efficient organizational arrangements and work procedures, and a general improvement of the quality of work have been achieved gradually. The lack of programmes with a comparable approach has no doubt made the process more longdrawn and cumbersome than could otherwise have been the case, but a basic contention is that the goals and work procedures should, in any such programme, be individually designed to suit the area specific conditions. Experiences from other programmes may certainly help to expedite and simplify the process, but they can not be superimposed on a different environment.

6.5 **More on Monitoring and Evaluation**

By **monitoring** is meant collection and analysis on a routine basis of information relating to project inputs, outputs and effects, to the activities realizing the outputs and effects, and to the

assumptions made, in order to ensure that the projects proceed in the desired direction and in accordance with accepted standards (regarding cost, time, quality, etc.).

Apart from internal day-to-day follow-up by the executing agencies themselves, monitoring is in HIRDEP the responsibility of the Planning Unit. The Unit has right from the beginning devoted considerable time and efforts to this task, but the work has tended to be done much on an ad hoc basis, with lack of systematic recording of the experiences made and corrective actions undertaken. Thus, the potential of monitoring for providing inputs into future planning has not been fully exploited.

Evaluation refers to special investigations on various aspects of a project. The prime objective is normally to help the project management in their decision-making, but sometimes the need for information by policy makers or the donor agency may be equally important.

The most important form of evaluations are impact evaluations, which aim at assessing the short and long term impacts of projects on people's living situation. Impact evaluations will normally take the target group and/or target areas as their point of departure and should generally consist of both baseline studies and follow-up studies. Whereas the baseline studies should be undertaken before project implementation starts, the follow-up studies may be undertaken both during and after implementation. Since impacts often take long time to materialize, such studies may be fruitfully conducted even several years after project completion.

For a programme like HIRDEP, two types of impact evaluations should be undertaken, namely in-depth case studies (i.e. studies relating to specific projects or groups of projects) and impact surveys. The two forms require different methodology and may fulfill somewhat different objectives. In-depth studies should not only record changes, but focus on power structures and processes, thus enhancing their explanatory power and ability to provide detailed information as inputs into future planning. Within HIRDEP, such case studies may, for capacity reasons, be undertaken in relation to only a few selected projects or groups of projects. As such studies will be very important instruments in a revolving planning process, they should be given general priority over the other type of impact studies, i.e. impact surveys. The latter, however, could produce valuable complementary information on more overall changes in living situation in the programme area. They should primarily cover the whole area and could focus on aspects like household incomes, use of public services and/or nutrition status.

Other important issues regarding impact evaluations are consistency in methodology (in order to enable sound comparisons of data over time and to facilitate utilization of the information provided), continuity of evaluation personnel (in order to enhance understanding of societal structures and processes) and efficient procedures for feedback of information into future planning operations.

For HIRDEP, the Planning Unit is expected to coordinate not only monitoring, but most evaluations as well — a logical consequence of the recognition of these operations as important management tools. As a step towards introducing more systematic practices, it has been agreed to recruit a Monitoring and Evaluation Coordinator as a long term consultant to the Planning Unit.

A special form of evaluations are so-called reviews, which are short-term assessments of specific issues or projects. Reviews may be undertaken by independent consultants, project personnel, NORAD officials or, most commonly, a combination. Most of them are planned

on an annual basis, i.e. a one year's review programme is agreed on at the preceeding Annual Meeting, but a review may also be planned for immediate effectuation whenever a need for it is identified. So far, from two to six such reviews have been undertaken annually. Findings and recommendations in the review reports are commented on in writing by the relevant planning and implementing authorities and a procedure for follow-up has been agreed on. Reviews have proved to be useful exercises, as specific problems are pinpointed and examined and discussions in these encouraged.

6.6 More on the Annual Plan Documents

The Annual Plan Documents and the subsequent Annual Meetings referred to above are important mileposts in the work process. These Plan Documents include:

- (i) a review of general performance as well as of completed and ongoing projects, as a basis for decisions on future strategies and actions;
- (ii) work programme with cost estimates for the next financial year (equal to calendar year) for ongoing projects, i.e. already approved projects which have started or will start before the beginning of that year;
- (iii) sketches of new projects which are intended started in the course of the following year, with indicative cost estimated for that year;
- (iv) expected indicative financial requirements after the next year of projects in categories (ii) and (iii) above; and
- (v) any considerations of more long term changes in strategy and priorities.

6.7 More on Financial Procedures

A potential problem is that the budgeting procedures of both the Sri Lankan Government and NORAD require that allocations for the first coming year must be made before the Plan Document can be discussed. From the side of NORAD, however, this hardly constitutes any problem, as sufficient flexibility exists for any necessary budgetary changes. So far, there have also been sufficient opportunities for such adjustment in the Sri Lankan budget (the bulk of which constitutes a shadow fund to the NORAD allocations, i.e. money which are later to be reimbursed by NORAD).

The annual allocation made available for HIRDEP by the Sri Lankan Government appears in the budget of the Ministry of Plan Implementation and is administered by the District Planning Unit, through quarterly imprests. This Unit then gives the necessary imprests to the project executing agencies, in line with existing financial regulations, and these imprests are renewed as the need arises and on the basis of the required documentation on the money already spent.

Reimbursements by NORAD are effectuated upon receipt and approval of quarterly reimbursement claims, prepared by the Planning Unit and forwarded through the Ministry of Plan Implementation and the Department of External Resources of the Ministry of Finance. NORAD normally covers all investment costs, and the money are disbursed as grant.

After some initial problems and with minor exceptions, these financial procedures now function very well. The routines are well adjusted to the flexible work model and, unlike many other projects, serious cash flow bottlenecks hardly exist.

7. INSTITUTION BUILDING AND AUGMENTATION OF PEOPLE'S PARTICIPATION

7.1 Training and Mobilization of Executing Bodies

At the outset of the Programme, the performance of most Government line departments in planning and implementation was far from satisfactory. Moreover, the existing people's organizations were generally weak, dominated by certain social groups, and not particularly motivated for execution of development work.

However, improvements in performance by most line departments have gradually been experienced, due mainly to greater assistance by the Planning Unit and learning from their own mistakes. Such learning has been promoted by both the Planning Unit and NORAD, through their checking of performance and their encouragement of reactions from the intended beneficiaries.

With the introduction of a comprehensive and long term training and motivation programme, designed by the Planning Unit with some assistance from the Asian Institute of Technology in Bangkok, a boost in capacity and performance by most line agencies and local organizations has been experienced. This training programme is conducted at both the district, divisional and local level and brings together officials of the various departments of the same level. At the local level, representatives of people's organizations are also included.

Of particular interest is the fact that training goes hand in hand with information collection in villages and project identification and planning.

In fact, the concept mentioned earlier of a three level planning system with maximum participation by beneficiaries has largely been developed during this training programme. Also, the approach encourages intersectoral cooperation to an extent which seems rather unique in Sri Lanka today. And the most important factor of all success may be that the personnel are given duties and responsibilities far exceeding what they have been used to and are able to execute them within a much more favourable administrative political setting.

As already mentioned, this augmentation of capacity and improvements in performance has been achieved without creating additional administrative bodies and with very few additional staff. It should also be recognized that performance still varies considerably from department to department. However, the results achieved have already amply demonstrated the considerable achievements which can be made through attacking administrative, organizational, political and social constraints of the existing institutional apparatus rather than duplicating inefficiency by establishing new administrative bodies or recruiting more personnel to work within the existing constraints. Alternatively, ad hoc administrative arrangements exclusively tailored to suit HIRDEP needs might have been resorted to, but have been discouraged due to the likely negative consequences after the Programme period.

In addition to the above mentioned training and motivation programme, NORAD finances a wide range of training courses abroad for staff within various fields and at different levels. It is the Planning Unit who draws up priorities and coordinates these activities as well, and the planning of such training is done on an annual basis as other Programme activities.

7.2 Justification for Participation by Intended Beneficiaries

Participation by people in proposing, designing and implementing development activities intended to affect their living situation should first of all be considered their obvious right.

Second, direct involvement by the people to be assisted will help create an enthusiasm on their side, which may contribute greatly to the success of any development effort. Thus, participation should be encouraged as an instrument for mobilizing the recipients of development assistance.

Third, participation by the target groups in the creation of ideas and the actual formulation of projects may make these more realistic - more "down to earth". Whatever basic information is sought in the field by professional planners or other project personnel, considerable knowledge gaps are bound to remain. By directly contributing to project identification and formulation, the people can themselves help to fill these gaps. At later stages, the target groups may also actively participate in the evaluation of projects, whereby useful feedback can be given to the bodies responsible for planning and implementation.

Fourth, participation by the target groups in implementation may make people attach a greater value to the efforts being made. There seems to be a tendency in many development projects to give things to people without requiring anything in return, which may easily create tendencies of irresponsibility and a destruction of people's instinct of self-preservation. All assistance from outside should aim at increasing the people's ability to help themselves, and anything beyond this should be considered harmful and thus be avoided. Too much assistance may be poison to a process of sustained self-generative development. In Sri Lanka, an attitude of demand and reliance on public assistance seems unfortunately to have become very common, most probably a result of extensive unconditional welfare measures. Assistance has not been sufficiently coupled with mobilization.

7.3 Basic Requirements for Participation

There are factors of a fairly general nature which pose strict limitations to the involvement of the beneficiaries in many operations. The two most important of these may be the need for specialized skills and the importance of considering consequences of the development efforts for other population groups, often in other areas. Thus, the optimal extent and form of participation will have to be carefully considered in each case.

In addition to such relatively general factors come more case-specific factors like the degree of devotion by project responsible personnel to the cause of participation and the time horizon for planning and implementation.

There may be many reasons why personnel are not devoted enough, like reluctance to indulge in the extra amount of work required, a feeling of own technical superiority, and the time perspective.

Popular participation would, in fact, represent a very important consideration for the timing of a project. This is both because the procedures for decisionmaking will be more complex, because people need time to think and digest, and because labour-intensive, time-consuming methods will often have to be applied for implementation. To secure participation, one should generally go slowly.

An important aspect of the question of participation is the extent to which people's own

perceptions should be accepted as basis for action. How important should the viewpoints and ideas of the people themselves be considered in relation to those of the “experts”, most often from outside the local community?

No objective answer can be given and the question will have to be carefully examined from case to case. However, a meaningful dialogue between the target groups and the project personnel should be considered a very important part of almost any development project. This may take different forms, depending largely on the type of development efforts envisaged. During stages of idea creation and planning, the people’s perceptions may, for instance, be made available through studies, through mass meetings and through more formal involvement by local organizations or key persons in feasibility studies and plan formulation. Ideally, all or most of these venues should be exploited. During stages of implementation, people should be able to give feed back to the project personnel on progress, shortcomings, effects, etc. through surveys, informal talks, mass meetings or a combination of these. Contacts with the target groups should also be maintained for a considerable period after the project has been finalized, in order that they should be able to give their viewpoints on the long term effects and impacts of the project and possibly also of ways and means of rectifying shortcomings. In other words, people’s own perceptions should be considered major inputs also to evaluations.

The other side of the coin, which should be considered equally important, is that the project personnel should make serious endeavours to communicate their ideas and proposals for improvements to the people. Normally, this would serve both to facilitate relevant feedback from the people and mobilize them for acceptance of and participation in the development efforts decided upon.

Such a real and meaningful dialogue should create a favourable climate for development endeavours, whereby:

- (i) mutual understanding and respect between the project personnel and the target groups exist;
- (ii) decisions on what to do and how to do it are based on thorough knowledge of the society;
- (iii) the target groups are mobilized to actively support what is being implemented and to make the best possible use of the facilities and opportunities created.

7.4 Efforts at Enhancing Participation in HIRDEP

(a) Introductory Surveys

Brief surveys were undertaken before and shortly after the inception of the Programme, in which perceptions by different groups of their living situation and possible development efforts were also registered. In addition, the views of people’s elected representatives were sought. However, these efforts were neither comprehensive nor systematic enough to provide the desirable inputs to planning.

(b) Monitoring and Impact Evaluations

Although somewhat ad hoc, the monitoring undertaken by the Planning Unit has been of great importance in getting to know people’s ideas about the planning and implementation of a number of projects.

A few baseline studies for impact evaluations have been undertaken by a sociologist employed by NORAD. She has been working closely with the Planning Unit and has been an important mediator between the people in some project areas and the Unit.

With the expected improvements in monitoring and evaluation, these operations should become even more important instruments for communicating people's ideas in future.

(c) Involvement by Non-Governmental Organizations

Two of the major non-Governmental organizations active in Sri Lanka have been engaged as partners for the promotion of selected projects. These are the Sri Lankan organizations Sarvodaya and the Norway based Redd Barna (Save the Children).

The general idea is that these organizations shall play a supplementary and complementary role to the State bureaucracy. In more concrete terms, their assigned functions are to:

- (i) facilitate communications between people and the Government bodies, i.e. to make people's perceptions available to these as well as to mobilize people to participate in planning, implementation and monitoring; and
- (ii) plan and implement, in cooperation with the people, numerous small, but important activities complementary to those implemented by the Government departments.

Sarvodaya is involved in three settlement projects and Redd Barna in the development of fisheries communities. The achievements made so far are generally encouraging.

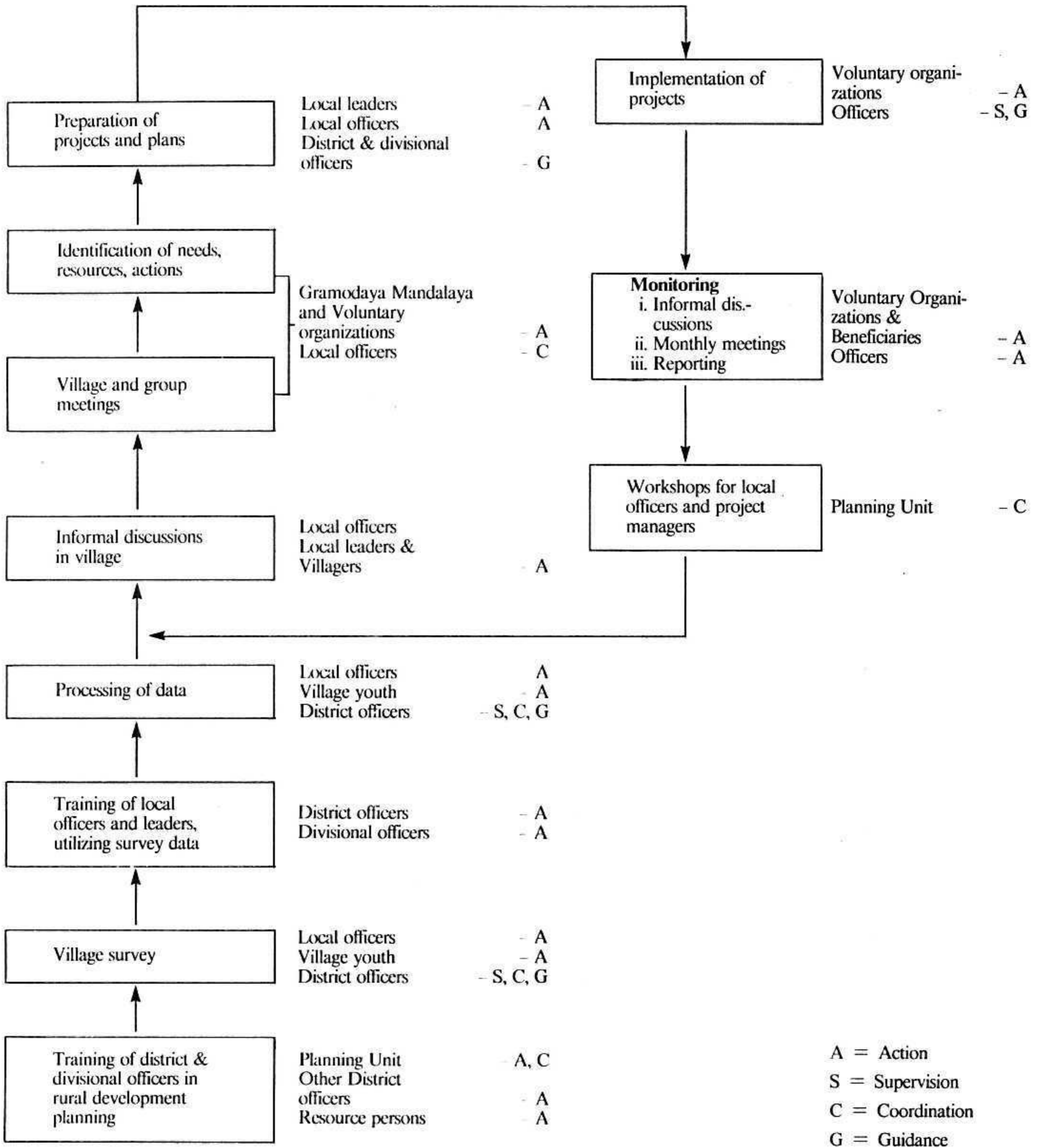
(d) Local Level Planning

The most significant step taken towards the involvement of people has been the decentralization of the planning, implementation and monitoring of a number of projects to the local level, as part of the three level approach mentioned earlier. This is where participation in its most meaningful and comprehensive form can be solicited. At this level, Government officials, who are being trained for the purpose, act as mediators and provide the necessary technical assistance to the local popular bodies responsible for planning and implementation. The core body for planning and implementation at the local level is considered to be the Gramodaya Mandalaya, which has been enacted by Government as people's representative body at that level. Instead of representation through direct election, the Gramodaya Mandalayas are formed by heads of all the voluntary organizations within their area of purview. The minimum number of such organizations required to form a Gramodaya Mandalaya is three, but often there may be as many as ten or more organizations.

The process of planning, implementation and monitoring of local level projects is illustrated in Fig. 2.

It goes almost without saying that this initiative is an extremely difficult venture, at the same time as the realization of important goals of the Programme will largely depend on success of this approach. Among the many important and difficult issues to be considered and dealt with are the involvement by the most disadvantaged groups in the villages in the development process, the quality of work undertaken, adequate procedures for financial management, and the long term sustainability of the results achieved. Since this approach has been initiated only recently, it is too early to draw firm conclusions at this stage. However, it can safely be stated that the initial results are promising.

FIG 2: PROCESS OF PLANNING, IMPLEMENTATION AND MONITORING OF LOCAL LEVEL PROJECTS



8. **ROLE AND ADMINISTRATIVE PROCEDURES OF THE DONOR AGENCY**

8.1 **General Approach**

The general role played by the donor agency in the present Programme can best be described as that of a partner in a constructive dialogue, whereby a positive atmosphere of cooperation is being sought realized. Thus, NORAD has sought to promote an image of an actively supporting rather than a more passively controlling body.

However, the experience has been that this positive attitude based on a high degree of mutual trust has, together with the continuous presence of representatives of NORAD, given the donor agency access to more information on problems and even malpractices than would have otherwise been likely.

8.2 **Administrative Adjustment**

A very important question is the administrative procedures to be adopted on the side of the donor agency in order to comply with the requirements of a process planning approach, without losing track of and control with the money allocated. The most important adjustments which have been made by NORAD for HIRDEP have been:

(a) **Commitment without Operationalized End-results**

NORAD accepted to commit assistance to an "open" development venture, which is reflected in the term "programme" rather than "project". The openness applies to comprehensiveness and to number and nature of projects as well as to time, i.e. the Programme period.

(b) **Continuous Dialogue between the Donor Agency and the Programme Management**

From the presentation in this paper it should have become evident that the procedures adopted to a large extent depend on a fairly continuous formal as well as informal dialogue between the project management and the donor agency. For HIRDEP, this means that NORAD must always be accessible for, particularly, the Planning Unit. It is primarily NORAD's office in Colombo which must take on responsibility for this dialogue, and representatives from this office also make frequent visits to the Districts.

It can safely be stated that the adopted work procedures in HIRDEP could not have been realized without a separate NORAD office in Sri Lanka with adequate expertise and relatively high capacity, unless the donor agency would be ready to accept financial arrangements close to pure budgetary support.

(c) **Decentralization of Decision-making**

A closely related precondition is considerable decentralization of decision-making within the donor agency, particularly to the Sri Lanka Office. Today, the bulk of the decisions are taken at this level, including approval of most new projects and reimbursement of expenditures. In addition, the decision-making procedures for issues which still have to be referred to the Head

Office in Oslo have generally been simplified. Such decentralization of decision-making for programmes or projects with the scope and complexity of HIRDEP makes the question of continuity and expertise of the personnel at the country level pertinent. Certain untraditional personnel policy measures may therefore have to be considered at certain points in time.

9. EVOLUTION AND DISTRIBUTION OF PROJECTS

Fig. 3 gives the sectorwise evolution of projects approved for implementation during the first six years. The figure shows that the number of new projects has increased year by year: In 1979 and 1980, 5 projects were approved annually, in 1981 11 projects, in 1982 14 projects, in 1983 22 projects, and in 1984 33 projects. The figure also shows a gradually broadened sector base during the first three years and a consolidation of this base thereafter, with new projects each subsequent year in generally the same sectors. Among the sectors, a comparison between "Agriculture/Animal Husbandry" and "Handicrafts/Industries" is interesting: Whereas there has been a rapid increase in the number and variety of agricultural projects, it has not been possible to achieve any break-through of projects within handicrafts and small industries. This striking difference is partly explained by the general dominance of agriculture among economic sectors in the district, by the resource endowment, etc., but also to a large extent by the absence of an efficient public support service in the field of rural handicrafts and small industries. However, considerable attention is now being paid to this issue under HIRDEP, and it will be interesting to see whether more can be done in future.

It has also proved difficult to promote fisheries and fishing related activities, which is partly explained by limited fishresources and again inefficient public support services.

For a full picture of the breadth of the Programme, it should be kept in mind that every project under "Settlement/Integrated Community Development" consists of almost all such activities as specified in the other columns of the table.

Table 1 shows the annual and total expenditure by sector. In fig. 4, the same information is shown graphically, but with some sectors amalgamated.

For **Overall Administration/Planning/Implementation** there is a rather dramatic expenditure peak in 1980, which is exclusively due to the purchase of heavy machinery and equipment for several Government departments, especially the Departments of Irrigation and Highways. Most of the other expenditures have been for office and housing facilities and for studies.

The expenditure for **Settlement/Integrated Community Development** have increased fairly steadily over the years. Whereas during the first four years all the expenditures under this category were incurred on irrigation based settlement schemes, about one fourth of the expenditures in 1984 were for broad-based local community development projects in already densely populated areas. This latter type of projects are, as mentioned earlier, gaining more and more ground within the Programme. Although they are by nature not capital intensive, the expenditures on them are expected to increase considerably in 1985. A large proportion of the activities under these projects are directly production oriented.

The large majority of the projects under **Agriculture/Animal Husbandry** have been started after 1982 with an accelerating increase in the rate of expenditure. This is a most encouraging trend, as more and more people are able to increase their income through improved and partly untraditional cultivation practices and crop combinations.

Animal husbandry has lagged behind, mostly due to considerable management problems within this sector and rather weak public services. However, organization of milk collection has started and other projects are expected to be launched in future.

Fig. 3: Sectorwise evolution of projects 1979 - 1984

Year	Overall Administration/ Planning/Implementation	Settlement/Integrated Community Development	Agriculture/Animal Husbandry	Fisheries	Handicrafts/Industries	Irrigation	Forestry/Energy	Roads	Household Water Supply	Health Education Training
1979	Rural Development Training Centre Planning Unit (Office, quarters, equipment) Sector Studies		Agricultural Development Authority				Reafforestation I			
1980	Machinery & Equipment				Angulmaduwa Handicraft Centre Bedigama Sericulture	Kirama Oya (River based)			Tissa-Karagame (Piped water scheme)	
1981		Mathala Settlement (Irrigation based) Wallawa Settlement Irrigation based	Vegetables in Paddy Lands I Vegetables in Paddy Lands II Dryland Farming Bogahapelessa I	Fisheries I (Service Centres, Itiplani, Studies)			Reafforestation II	Highways I (5 Highways Department Roads)	Groundwater Investigations Tube Wells I	Health/Staff training Equipment Improvements to instructors)
1982	Planning Unit: Studies I (Initiated, organized by Planning Unit)		Coconut Cultivation Paddy Cultivation, Kirama Oya Basin I Banana in Home- steads, Kudagoda I Dryland Farming Bogahapelessa II		Central Workshop -Ambalantota White Fibre Production	Survey, Kirama Oya Basin Western Tanks I (Reservoir based) Quarters Irrigation Department Irrigation Investigations		Highways II (2 Highways Department roads)		Health II Muruthawela Centre for Handicapped
1983	Planning Unit: Quarters II	Village Development Ethgamulla	Beekeeping Survey of Chena Lands Minor Export Crops I Paddy Cultivation, Kirama Oya Basin II Livestock I (Milk collection, Poultry, Veterinary services) Highland Farming I	Removal of Harbour Obstacles	Handloom Weaving Centre		Bogas (Pilot project at household level)			Primary Education (School buildings, Equipment) Health III Sanitary Facilities I (Larries)
1984	Planning Unit: Studies II Planning Unit: Office II Mapping, Hambantota District Vehicles & Equipment	Goonoruwa Settlement (Irrigation based) Katuwana Local Level Development Village Development Okandayaya	Vegetable in Paddy Lands III Quarters, Coconut Cultivation Board Banana in Home- steads, Kudagoda II Minor Export Crops II Strengthening of Agrarian Services Water Management Minor Export Crops Institutional Improvements Paddy Cultivation Kirama Oya Basin III Highland Farming II Horticulture Minor Export Crops III	Fibre Class Coating of Onas		Western Tanks II Desilting of Village Tanks Engineering Survey, Urobokka Oya	Fuelwood Efficient Stoves	Tank Access Roads (Several minor roads) Local government Roads (Several minor roads) Village Roads I (Several minor roads) Improvements to Bridges Approach Road to Fisheries Service Centre Village Roads II	Fishing Villages I (Piped Water scheme) Fishing Villages II (Piped Water scheme) Tube Wells II Community Dig Wells I Tube Wells III Community Dig Wells II	Primary Health Care, Natuwana Training of Family Health Workers Sanitary Facilities II Educational Facilities in Settlements Local Level Technical Training

Whereas the above mentioned directly production oriented activities have gained momentum, the general situation regarding **Fisheries** and **Handicrafts/Industries** (which are included under "Other" in Fig. 4) is much less satisfactory. The peak of expenditures for fisheries activities in 1981 and 1982 is due to the construction of service centres and an ice plant, whereas the peak for industries in 1982 is due to extension of a departmental workshop. Among the fisheries population, more emphasis will in the future be placed on broad based community development, whereas initiatives are also being taken for promotion of new small industrial activities, as mentioned earlier. Under "Fisheries", expenditures incurred directly by NORAD for a cost-benefit study and explanatory fishing have not been included in the expenditure statement.

The annual investments in **Irrigation**, i.e. physical irrigation structures, have been maintained at a fairly constant level since 1980, with main emphasis on improvements to an extensive river irrigation system and rehabilitation of irrigation dams in settled areas. In addition, considerable investments have been made in irrigation facilities in the settlement schemes, included under "Settlement". Altogether, irrigation works have throughout constituted a major component of HIRDEP.

More than 99% of the investments under **Forestry/Energy** have been in reforestation of areas which have become denuded through cutting of trees for timber and firewood and through burning of vegetation for cultivation (chena). Small, but important initiatives have also been taken to introduce biogas and fuelwood efficient stoves.

After a little activity initially, considerable investments have been made since 1981 in numerous **Roads** projects, ranging from middle standard roads under the purview of Highways Department to village roads implemented and to be maintained by village organizations. The latter category has increased in relative importance during the last couple of years.

Household Water Supply is one of the sectors where investments have shown the biggest increase. Among the types of projects which could be termed social/welfare projects, household water supply is clearly the most important type. Investments have been made in both groundwater investigations, tube wells, dug wells and pipeborne water schemes.

Another important activity, listed under **Health**, is latrine construction with considerable involvement by the beneficiaries. This activity has caught momentum since 1983. In 1984, a primary health care programme was also started. The bulk of the other investments under "Health" have been for improvements to existing health institutions.

Education has been a low priority sector, limited to improvements to a few primary schools. Within the category **Education/Training** is also the important component of staff cum leader training, which has been described in Chapter 7.1. Small, but important investments have also been made in a centre for handicapped children as well as in community based rehabilitation of handicapped.

Tables 2 and 3 illustrate how the ideas of revolving planning and gradual integration have been realized in practice. Table 2 shows that projects constituting replications of already implemented projects have become gradually more common. These second and third phase projects are, however, not necessarily identical replications; most often changes would have been made in later phases based on experiences gained during the planning and implementation of the previous projects. The table shows that over 50% of the projects approved in 1984 were most often modified — replications of projects implemented earlier.

Table 3 demonstrates how linkages are being established to previously implemented projects of other types as well. In some cases, the subsequent projects aim at removing bottlenecks identified for realization of benefits of the previously implemented projects, in other cases they aim at exploiting

potentials created by them. Whereas during 1979 81, only 14% of the approved projects had links to projects of other types, in 1984 54% had such linkages.

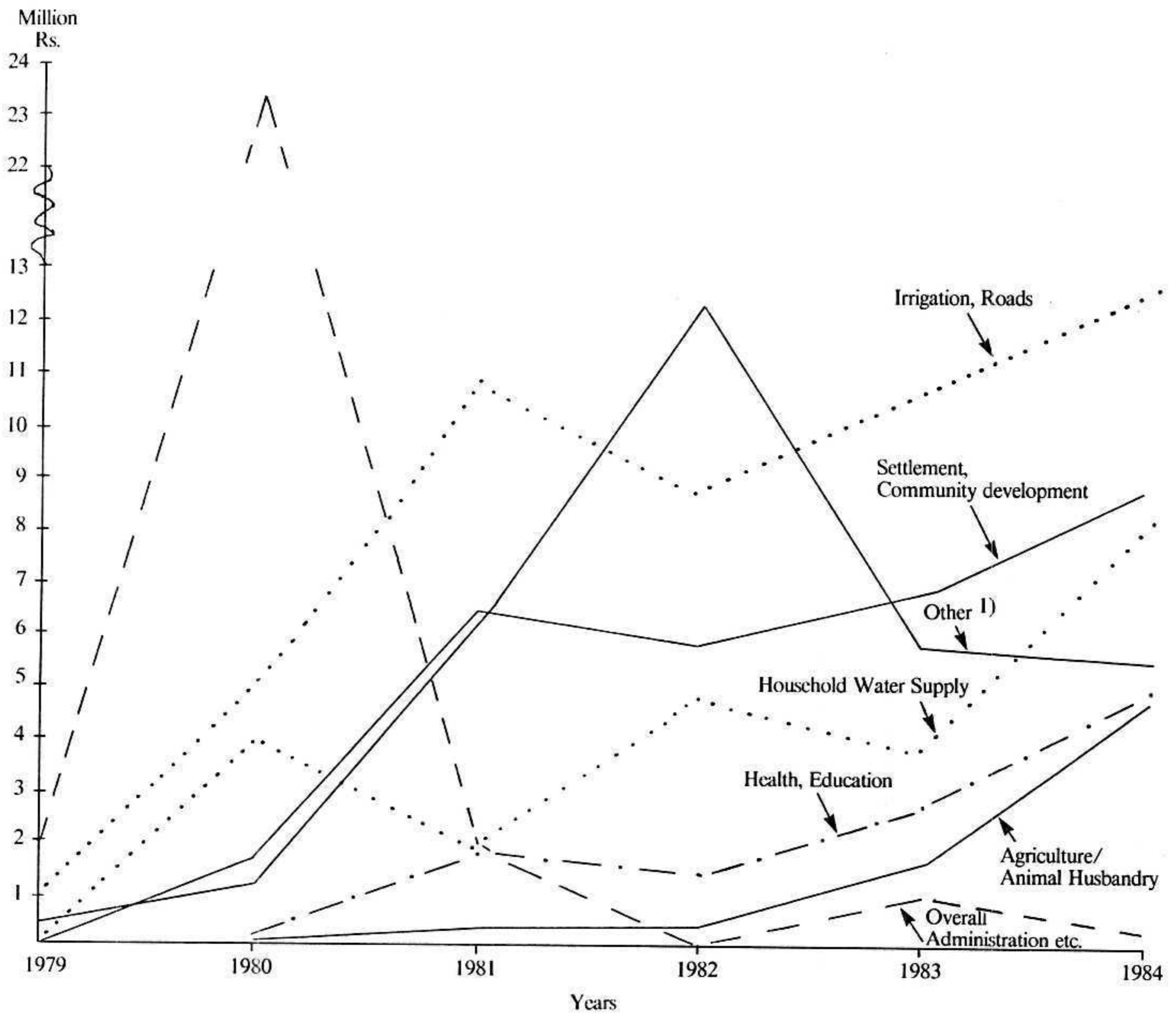
In fact, only 27% of the projects approved in 1984 had no connection to previously approved projects, either by being second or third phase projects or by having direct functional linkages to projects of other types.

The concept of integration between projects is further illustrated in fig. 5. The activities specified in each box reflect one or more projects which have been or are being implemented under HIRDEP.

TABLE 1: ANNUAL AND TOTAL EXPENDITURES BY SECTOR

SECTOR	YEAR						TOTAL
	1979	1980	1981	1982	1983	1984	
Overall Administration/Planning/ Implementation	1.809	23.315	2.032	266	1.236	718	29.376
Settlement/Integrated Community Development	40	1.766	6.603	6.017	7.163	9.121	30.710
Agriculture/Animal Husbandry	0	192	518	563	1.874	4.999	8.146
Fisheries	0	0	2.717	3.184	1.475	1.535	8.911
Handicrafts/Industries	374	213	1.766	6.549	2.151	1.772	12.825
Irrigation	833	4.191	4.451	3.181	5.318	4.988	22.962
Forestry/Energy	163	1.085	2.087	2.782	2.390	2.652	11.159
Roads	163	991	6.468	5.819	5.669	7.978	27.088
Household Water Supply	0	4.081	2.062	4.994	4.148	8.583	23.868
Health	0	41	1.695	1.318	2.379	3.651	9.084
Education/Training	0	0	379	261	613	1.478	2.731
TOTAL	3.382	35.875	30.778	34.934	34.416	47.475	186.860

FIG 4: ANNUAL EXPENDITURES BY SECTOR



1) Fisheries, Handicrafts/Industries, Forestry, Energy

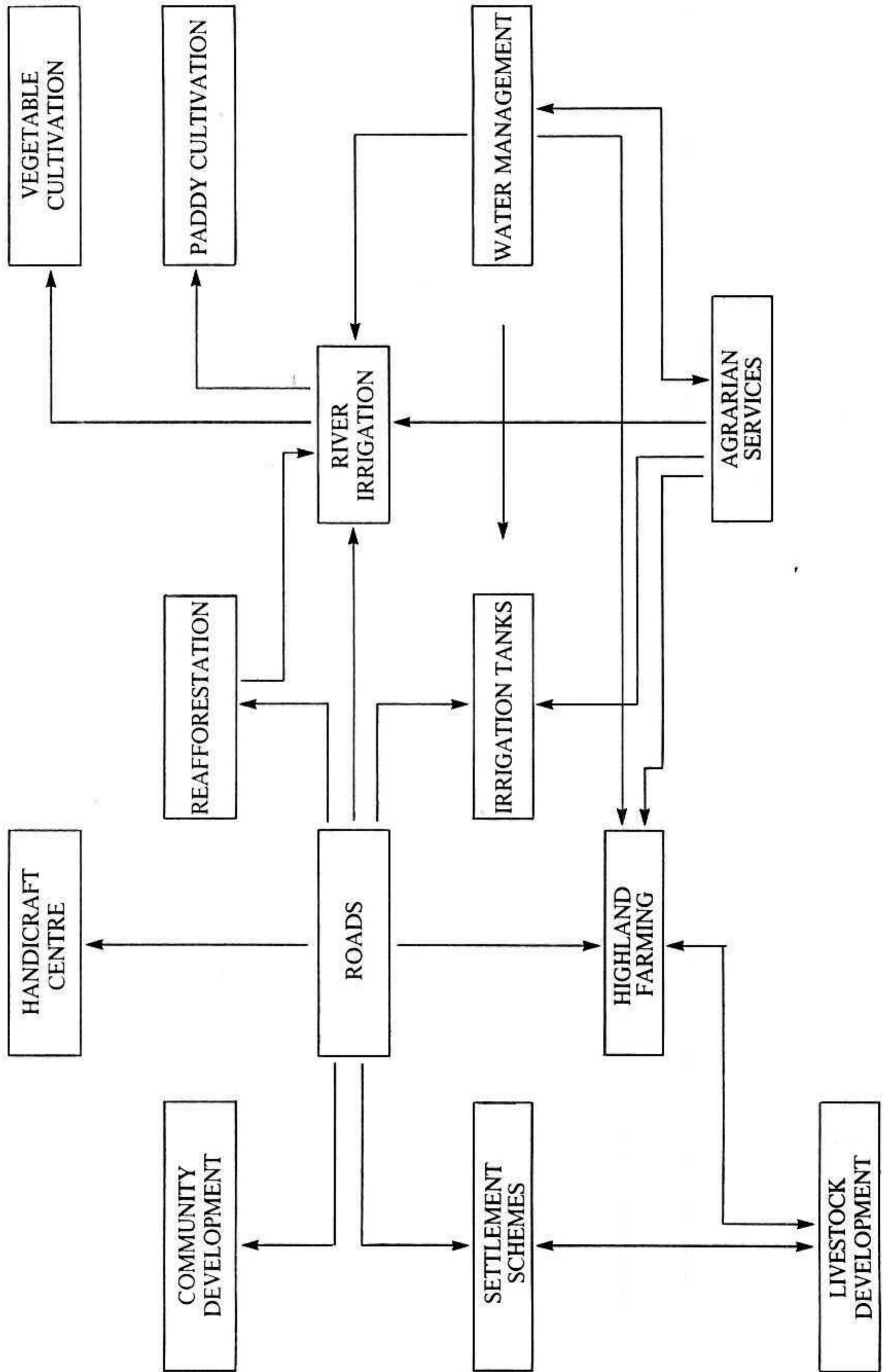
TABLE 2: PHASES OF PROJECTS

APPROVAL YEAR OF PROJECTS	1979-81		1982-83		1984		1979-84	
PHASE	Absolute	%	Absolute	%	Absolute	%	Absolute	%
Only or first phase	19	91	26	72	16	48	61	68
Second phase	2	9	9	25	13	39	24	27
Third phase	0	0	1	3	4	13	5	5
	21	100	36	100	33	100	90	100

TABLE 3: DIRECT FUNCTIONAL LINKAGES TO PRECEEDING PROJECTS OF OTHER TYPES

APPROVAL YEAR OF PROJECTS	1979-81		1982-83		1984		1979-84	
PHASE	Absolute	%	Absolute	%	Absolute	%	Absolute	%
No direct linkages	18	86	21	58	15	46	54	60
Linkages to one project	3	14	6	17	6	18	15	17
Linkages to > one project	0	0	9	25	12	36	21	23
	21	100	36	100	33	100	90	100

FIG. 5: INTEGRATION OF PROJECTS



10. ISSUES WHICH NEED PARTICULAR ATTENTION IN THE FUTURE

10.1 Harmonization between Planning at different Spatial Levels

The application of a revolving work procedure at various spatial levels places heavy demands on the management capability of the Planning Unit. From a planning point of view, the harmonization between a multitude of activities at these different levels is perhaps the biggest challenge for the Unit.

For any project at any level one should carefully consider prerequisites, consequences and opportunities at other levels. For instance, a production unit in a local community will often depend on markets outside the particular community, it may require organized extension service from outside, and it may even produce a commodity which may be utilized as input into other production elsewhere. Another example is the establishment of a local school or health centre, the location and functions of which should tally with an overall plan for provision of such services. On the other hand, in the planning of, for instance, inter-village or higher level roads, which will largely have to be undertaken at levels above the village, one should take local consequences into consideration and assess the potentials for new or increased production and other benefits in the local communities. Moreover, one should aim at acquiring as comprehensive and systematic information as possible about physical resources in relation to settlement patterns and production activities over the whole district. The same should apply to skills and other human characteristics. One purpose of this would be to allow comparative advantages of areas and population groups in terms of physical resources, skills and other factors — to be taken into account in planning at both the district, divisional and local level.

In many instances, one will have to apply a national perspective, for instance regarding provision of public services and marketing of many products. It is in this connection important to relate district and sub-district plans to national policies and plans. In a few cases, particularly in the assessment of market opportunities, one may even have to look behind national borders.

All involved parties agree that the question of harmonization between different spatial perspectives has not so far been pursued systematically enough in HIRDEP. But with the experiences which have been gained over the years in planning at different levels, it should now be easier to adopt a more coherent approach, allowing decentralized decision-making within more clearly defined guide-lines and limits.

10.2 Monitoring and Evaluation

The functions of monitoring and evaluations have been defined, their justification spelt out, and basic methodological issues briefly outlined in Chapter 6.

Whereas **reviews** have become an established component of HIRDEP, with specific functions and procedures for follow-up, the situation is less satisfactory with regard to monitoring and impact evaluations.

The Planning Unit and other planning and coordinating staff generally take their **monitoring** role seriously, and day to day follow-up has no doubt improved considerably over the years. What is generally lacking is systematic recording of progress, problems, solutions and results, which would make experiences more readily available for review teams, the donor agency, and others, and facilitate systematic use of them in planning.

Information relating to the individual projects should be presented in two different types of reports — progress reports and completion reports. Progress reporting should be done quarterly with more comprehensive reports once a year (as input into the Annual Meeting), whereas completion reports should be prepared upon completion of projects. The former type should contain information on inputs provided, physical progress and expenditures in relation to targets, reasons for deviations from targets, particular problems encountered, solutions to such problems, etc. Completion reports should contain a summary of inputs and outputs in relation to targets, statements on problems encountered and solutions found during implementation, assessment of the quality, functionality and adequacy of the assets provided, and, to the extent possible, indications of effects and impacts of the project.

Impact evaluations have so far been limited to one case study only (for the Kirama Oya project). A few more baseline studies have been conducted, but none of them followed up so far. Although their value may be limited due to methodological shortcomings, at least a couple of them should be repeated, with a view to record and analyze changes in living conditions among the population groups concerned. However, considerable efforts should be made in future to improve and expand impact evaluations. Particular importance should be given to methodologically sound in-depth case studies relating to selected projects.

For impact surveys, which should cover larger parts or even the whole of the district, the idea of recording changes in nutritional status among children has been briefly discussed among the parties. There seem to be good arguments in favour of selecting nutritional status as yardstick: It is probably the best single indication for recording overall changes in living standards in a society, and the changes can be reliably recorded with fairly simple antropometric devices.

10.3 Operation and Maintenance

Inadequate organizational arrangements for operation and maintenance of public productive and infrastructural assets is a profound weakness generally in Sri Lanka. The resulting problems are often increased through insufficient financial allocations for such purposes. Furthermore, private groups and individuals also often display a *laissez-faire* attitude to these issues. Two important reasons for this are probably that traditional local power structures and organizational arrangements for augmentation and maintenance of community facilities have disintegrated and sought replaced by political-administrative arrangements which have generally proved inefficient, and that unconditional welfare and subsidy schemes from the side of the authorities have created a typical patron-client relationship between the state cum political representatives and the public.

As could be expected, inadequate arrangements and financial provisions for operation and maintenance have also become problem areas in HIRDEP. The donor agency, on their side, have taken a gradually more firm stand, maintaining that investments in facilities for which adequate operation and maintenance by the relevant public or private bodies cannot be secured should generally be avoided. It is also being felt that acceptance by the donor agency to finance operation and maintenance over a certain period would generally only postpone the problems and possibly even make them bigger in the long run. This has, therefore, been accepted in exceptional cases only, and then for maximum one year.

So far, the strongest reaction from the donor agency has been to refuse financing of any new roads under the purview of the Highway Department until adequate arrangements have been made for maintenance of the roads already constructed. Serious efforts are now being made to solve this problem. Similarly, considerable emphasis is being placed on improving maintenance of irrigation facilities and water management. Further financing of such facilities should largely depend on improved practices - from the side of the responsible state departments as well as by the farmers. A third example is proper operation of credit schemes and thereby maintenance of credit funds established. So far, very little credit has been extended under HIRDEP. However, if adequate arrangement can be made and satisfactory repayment rates achieved, we foresee considerable expansion of credit facilities on very reasonable terms for individuals and groups for a variety of purposes. All experience in Sri Lanka indicates, however, that strict discipline has to be installed right from the beginning and firm and immediate action taken against defaulters, unless they can prove inability to repay for specific reasons. A too flexible attitude from the management initially may erode the basis for schemes which could otherwise have been of considerable help for a large number of people.

10.4 Coordination between IRDPs

By the end of 1984, IRDPs were being implemented in 11 districts and a few more programmes were being prepared.

As already mentioned, neither the Sri Lankan Government nor the donor agencies had in the beginning any clear ideas about the approach to be adopted. An exception was the World Bank, which got prepared a rather detailed 5 year plan along traditional lines for Kurunegala — the first district which they committed financing for.

It must be held to the credit of the responsible Sri Lankan authorities that they invited to an open dialogue with the donor agencies and to a considerable amount of experimentation. Largely as a result of this, the approaches have come to diverge considerably, mostly depending on the views and capabilities of the responsible district planning authorities and the involvement by the donor agencies.

With the considerable amount of experience which has been gained in the different IRDPs, more concerted efforts are being made by the Regional Development Division to improve monitoring at the national level and promote discussions and exchange of views among the staff of the various districts and the donor agencies. These efforts should continue, with the view to improve performance in the districts by learning from each other.

There is, however, the potential danger that too much control could be exerted by the Regional Development Division over its staff in the districts and too strict and uniform guidelines developed at the centre. If so, it is foreseen that enthusiasm, inventiveness and the capability to adjust and respond to specific problems of different target groups may be reduced. So far, however, there are hardly any signs of a development in this direction.

10.5 Continuation of the Development Drive Initiated by the IRDPs

Although the IRDPs are implemented with foreign assistance over a considerable number of years, thinking will have to be done on how to continue the process of development after the flow of foreign funds has been stopped. It would be most regrettable if the administrative and

human resources and capabilities which are being built up should be withdrawn or become underutilized or work efficiency reduced after the donor agencies have pulled out.

First, adequate financial resources should be made available to the districts. For Hambantota, the annual allocations under HIRDEP constitute more than half of the total annual allocations for public investments, when excluding a large settlement scheme in the eastern part of the District, the implementation of which is in the hands of a separate national authority. With the withdrawal of foreign funds, substitutory allocations from national Government funds should be made.

This is, of course, a national policy issue. But a decentralization of decision making and strengthening of the district and local development machinery is a basic goal of the IRDPs and thereby recognized national policy, one would expect the Government to make such additional funds available to districts with IRDPs after withdrawal of foreign funds.

An equally important prerequisite is that the capacities and skills developed will be maintained in the districts and not pulled in to the national centre. Another closely related prerequisite is that the influence by this staff should not be reduced, neither vis-a-vis the national level nor the local politicians.

A high priority task should be to establish a unified procedure for management of the financial resources made available to the districts, including the already allocated decentralized Budget (DCB) and District Development Council (DDC) funds as well as present IRDP funds and later Government substitutions for these. It would be natural to place decision-making power with the fairly recently established District Development Councils and their divisional and local counterparts of Pradeshiya Mandalayas and Gramodaya Mandalayas, and have the Planning Units perform the professional functions of planning and monitoring and advising the Councils on priorities and technical issues.

It is, however, recognized that the power presently executed by most Members of Parliament regarding the use of DCB and even DDC funds would constitute a considerable barrier against the realization of such an arrangement.

11. SUMMARY OF THE MAIN POINTS

NORAD has, since 1979, been financing a comprehensive development programme in Hambantota District. The main goal is the improvement of living conditions for the majority of the people in the District, with particular focus on the poorest and otherwise most disadvantaged groups.

A process model with an annually revolving planning schedule has been adopted. The conglomerate of inputs and activities are structured and made divisible in the form of projects varying greatly with regard to scope, comprehensiveness, cost, etc. Final proposals for projects agreed on in principle at the Annual Meetings can be submitted for approval by NORAD at any time.

Whereas the first projects were planned largely in isolation from each other, the question of interdependence has become gradually more important as the Programme has proceeded. Thus, many of the more recently planned projects are complementary to already finalized or ongoing projects — partly supporting these and partly exploiting potentials created by them.

This explicitly formulated relationship between integrative and revolving planning represents, together with the specification of work tasks and a work schedule to comply with this basic idea, considerable new-thinking by the involved parties and may be the Programme's main contribution towards improved strategies for regional development more generally in the Third World.

Active participation by the target population is considered another cornerstone in the Programme. Considerable efforts are being made to promote such participation, particularly through concerted and systematic efforts in local level planning and implementation.

NORAD has undertaken important internal administrative adjustments to comply with the process planning approach adopted, the most basic of which are decentralization and simplification of decision-making.

Problem issues which require particular attention in future are improved systems for monitoring and evaluation, higher priority to operation and maintenance of assets created, harmonization between planning at the various spatial levels, and how the development drive which has been initiated with the Programme can be further promoted after donor funds are no longer available.

