

PD-ABB-400  
64731

# A.I.D. EVALUATION SUMMARY PART I

(BEFORE FILLING OUT THIS FORM, READ THE ATTACHED INSTRUCTIONS)

IDENTIFICATION DATA

<p><b>A. REPORTING A.I.D. UNIT:</b>  <u>USAID/Bangladesh</u>                  (Mission or AID/W Office)                   (ES# _____ )</p>	<p><b>B. WAS EVALUATION SCHEDULED IN CURRENT FY ANNUAL EVALUATION PLAN?</b>                  yes <input checked="" type="checkbox"/> slipped <input type="checkbox"/> ad hoc <input type="checkbox"/>                   Eval. Plan Submission Date: FY ___ 0 ___</p>	<p><b>C. EVALUATION TIMING</b>                  Interim <input checked="" type="checkbox"/> final <input type="checkbox"/> ex post <input type="checkbox"/> other <input type="checkbox"/></p>												
<p><b>D. ACTIVITY OR ACTIVITIES EVALUATED</b> (List the following information for project(s) or program(s) evaluated; if not applicable, list title and date of the evaluation report)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Project #</th> <th style="width: 45%;">Project/Program Title (or title &amp; date of evaluation report)</th> <th style="width: 10%;">First PROAG or equivalent (FY)</th> <th style="width: 10%;">Most recent PACD (mo/yr)</th> <th style="width: 10%;">Planned LOP Cost ('000)</th> <th style="width: 10%;">Amount Obligated to Date ('000)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">388-0042</td> <td>Rural Industries Project, Women's Entrepreneurship Development Program (WEDP) Component <u>June 1989</u></td> <td style="text-align: center;">FY81</td> <td style="text-align: center;">12/90</td> <td style="text-align: center;">5,000</td> <td style="text-align: center;">4,985</td> </tr> </tbody> </table>			Project #	Project/Program Title (or title & date of evaluation report)	First PROAG or equivalent (FY)	Most recent PACD (mo/yr)	Planned LOP Cost ('000)	Amount Obligated to Date ('000)	388-0042	Rural Industries Project, Women's Entrepreneurship Development Program (WEDP) Component <u>June 1989</u>	FY81	12/90	5,000	4,985
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388-0042	Rural Industries Project, Women's Entrepreneurship Development Program (WEDP) Component <u>June 1989</u>	FY81	12/90	5,000	4,985									

ACTIONS

E. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR	Name of officer responsible for Action	Date Action to be Completed
<p style="text-align: center;">Action(s) Required</p> <p>Explore possibility of follow-on project incorporating findings, conclusions and recommendations of evaluation report with host country counterpart and decide whether USAID involvement is visualized/will be needed beyond 1990.</p>	Raka Rashid	Jan. 1990
(Attach extra sheet if necessary)		

APPROVALS

**F. DATE OF MISSION OR AID/W OFFICE REVIEW OF EVALUATION:** mo 6 day 7 yr 89

**G. APPROVALS OF EVALUATION SUMMARY AND ACTION DECISIONS:** Revised and approval updated 05/90

Project/Program Officer	Representative of Borrower/Grantee	Evaluation Officer	Mission or AID/W Office Director/A
Signature: <u>Raka Rashid</u> Typod Name: <u>Raka Rashid</u> Date: <u>May 1990</u>	Signature: <u>Rasheda A. Khanum</u> Date: <u>May 1990</u>	Signature: <u>Ann Schwartz</u> Date: <u>May 1990</u>	Signature: <u>Malcolm J. Purvis</u> Date: <u>May 1990</u>

H. EVALUATION ABSTRACT (do not exceed the space provided)

Evaluation Abstract - WEDP

The Women's Entrepreneurship Development Program aims to improve the status of rural Bangladeshi women by developing women entrepreneurs. This activity, which is managed by the Bangladesh Small and Cottage Industries Corporation, provides a package of credit and training to women entrepreneurs and is a women-managed program.

This progress evaluation examined project progress in relation to implementation of the loan program, entrepreneurship and enterprise development, and improvement of client living conditions. The evaluation results were to be used in deciding whether USAID would continue to support the program beyond 1990.

The evaluation methodology included examination of project records, visits to field offices, in-depth survey of clients in four WEDP Centers and interviews with program managers.

The evaluation found that as an efficient public sector agency, as a successful credit program and as a women-managed program the WEDP played a pioneer role in institution-building. It provided detailed findings and recommendations related to the three areas of investigation and recommended strategies to strengthen effectiveness also recommended USAID support beyond 1990.

ABSTRACT

I. EVALUATION COSTS

1. Evaluation Team  
Name

Affiliation

Contract Number OR  
TDY Person Days

Contract Cost OR  
TDY Cost (US\$)

Source of  
Funds

S.M. Hashemi

388-0042-0-00-9041

5,457

Project

2. Mission/Office Professional  
Staff Person-Days (estimate) 12

3. Borrower/Grantee Professional  
Staff Person-Days (estimate) 75

COSTS

2

# A.I.D. EVALUATION SUMMARY PART II

## J. SUMMARY OF EVALUATION FINDINGS, CONCLUSIONS AND RECOMMENDATIONS (Try not to exceed the 3 pages provided)

Address the following items:

- Purpose of activity(ies) evaluated
- Purpose of evaluation and Methodology used
- Findings and conclusions (relate to questions)
- Principal recommendations
- Lessons learned

Mission or Office: USAID/DHAKA

Date this summary prepared: 06/89

Title and Date of Full Evaluation Report: Credit for Rural Women: An Evaluation of the Women's

Entrepreneurship Development Program

### ACTIVITY EVALUATED

The Women's Entrepreneurship Development Program (WEDP) is a subactivity under USAID's Rural Industries Project, and managed by the Bangladesh Small and Cottage Industries Corporation (BSCIC). WEDP aims at improving the status of rural women by developing women entrepreneurship. WEDP in addition to providing credit to clients, extends training, research and advisory services, to improve the quality of program administration.

### EVALUATION PURPOSE

The WEDP was last evaluated at the end of 1986. The evaluation noted that the overall impact of the project was positive and that further improvements could be made within the general project framework. Continued USAID support was therefore recommended. This evaluation seeks to measure WEDP progress, since then, in both qualitative and quantitative terms. The results are to be used in determining whether USAID should continue to support the program beyond 1990 when planned obligations end.

### METHODOLOGY

Four WEDP centers, representative of the WEDP program, were chosen for indepth client survey and field office inspection. Ninety clients from each center were randomly chosen for detailed interview. Field office staff, local bank officials and headquarter staff were also interviewed. Office records both at the headquarter and field offices were checked. Interview were conducted by the evaluation director and research teams including one male and one female research assistant. Field research continued for six weeks.

### FINDINGS/CONCLUSIONS

In terms of project implementation:

- a) The average number of disbursement per center was satisfactory, varying around 150 per year with an average loan size of 2000 to 3000 takas. The overall recovery rate for all centers is currently around 75%. All phase II centers except 1 have reached the target recovery rate of 80%.

- b) The overhead per taka recovered was less than one taka for all centers excluding Laksham and Begumganj. The overhead for Muksedpur at 0.55 takas was the lowest.
- c) WEDP women have been able to establish a positive role model for other women. Women entrepreneurs have been encouraged to come out and, in a limited way, assert themselves, because of the strong presence of WEDP women.
- d) Headquarter support still continues to be problematic. Institutional arrangement for problem identification and resolution is ineffective.

In terms of entrepreneurship development:

- a) Client identification has improved considerably in the last two years. Most new clients are rural disadvantaged women involved in family enterprises.
- b) There has been no improvement in increasing the number of women managed enterprises. Even in good centers only a fifth of the enterprises are women managed. Many clients are still uninvolved with the funded activity.
- c) Family incomes have increased, but by absorbing under-utilised family labor. The majority of WEDP funded enterprises have low rates of returns. Expansions through employing labor is less possible since that would entail a lot of losses. Additionally, the nature of the funded enterprises (traditional cottage industries) restricts expansion through additional capital reinvestments. Hence current WEDP enterprises are incapable of making the transition to micro enterprises, and hence small industries.

In terms of living conditions:

Client incomes have generally increased, but it is unclear whether that has been translated into improved living conditions with higher nutritional intake, better housing, and greater access to education and health services.

These problems and limitations however in no way indicate that the program has failed. In fact as an efficient public sector agency, as a successful credit program, as a women managed program, the WEDP has played a pioneering role in institution building. It is strongly felt that the potential exists within WEDP to further improve its performance. Continuing USAID support is strongly recommended. The initial phase of credit program management should now lead to the successful promotion of women entrepreneurship.

## RECOMMENDATIONS:

1. Financial:
  - a. High recovery rates must be maintained. Overhead rates must be further reduced to eventually make the program economically viable.
  - b. The situation in Laksham needs to be critically examined. If the majority of loans cannot be recovered, and if new disbursements suffer, it may be appropriate to even move out of Laksham. At least overhead expenses will be reduced.
2. Entrepreneurship Creation:
  - a. Client identification should be geared to include the search for educated women from higher income groups to manage micro or small enterprises.
  - b. New lines of activities, especially those that are non traditional and involving larger asset size, must be explored and funded. For the WEDP to be part of a larger rural industrialization plan, efforts should be made to ensure that funded enterprises generate employment, profit reinvestments, and linkages with other industries.
  - c. Possibilities of opening centers in urban and semi-urban areas should be explored.
  - d. Experimental beginnings should be made on "women's corner". Women's markets should be expanded.
  - e. Management training must be incorporated as a regular feature of the WEDP. All clients must receive such "advice" several times a year.
3. Headquarter must be made more responsive to program needs. Headquarter personnel must spend a considerable amount of time in the field each month to better identify problems, resolve issues, and creatively chart out a healthier future for the WEDP. If the structure of the WEDP/BSCIC prevent an immediate field reorientation, USAID should support the appointment of two experienced mid-level women (at good salary) to assist the Director in the program's transition to real women entrepreneurship and support to rural industrialization.

ATTACHMENTS (List attachments submitted with this Evaluation Summary; always attach copy of full evaluation report, even if one was submitted earlier)

- (1) Attachment: A comments of Bangladesh Small and Cottage Industries Corp.
- (2) Credit for Rural Women:  
An evaluation of women's entrepreneurship development Program (June 89)

L. COMMENTS BY MISSION, AID/W OFFICE AND BORROWER/GRANTEE

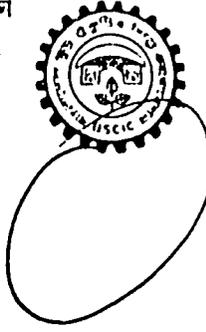
The Mission found the evaluation study to be a very thorough and objective assessment of the program.

The findings and recommendations of this evaluation are very timely and relevant and are being incorporated into BDG and Mission planning activities for follow-on.

Detailed comments of Bangladesh Small Cottage Industries Corporation are attached.

মহিলা শিল্প উদ্যোক্তা উন্নয়ন কর্মসূচী  
বাংলাদেশ ক্ষুদ্র ও কুটির শিল্প কর্পোরেশন  
১২৮, মতিঝিল বাণিজ্যিক এলাকা।  
ঢাকা-২।  
টেলিফোন নং—  
পি বি এক্স—২৩০৭০৪/২৩৩২৯৩  
টেলিগ্রাম—বিসিক

WOMEN ENTREPRENEURSHIP  
DEVELOPMENT PROGRAMME  
BANGLADESH SMALL & COTTAGE  
INDUSTRIES CORPORATION.  
128, MOTIJHEEL COMMERCIAL AREA, DHAKA-2,  
TELEPHONE NO--  
P.B.X. NO--230704/233293  
TELEGRAM-BEESCIC



সূত্র : WEDP/ 102/86-90/319

তারিখ : 10-3-1990.

Subject : Credit for Rural Women - An Evaluation of Women Entrepreneurship Development Programme.

Dear Madam,

This is with reference to the evaluation and comments made by Dr. S. M. Hashmi in the above mentioned report. We would like to clarify some of the points as stressed in the evaluation report.

*PDE*

ACTION TO:	
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1. Entrepreneurship Creation :

- (a) It has been mentioned that WEDP has not been able to aggressively promote entrepreneurship among rural women. Regarding this it may be mentioned that WEDP Project *concern* is basically linked with poverty alleviation of rural disadvantaged group of women and WEDP areas are also selected on that basis. Accordingly we have little scope to include educated higher income group of women entrepreneurs at present under the programme. However, our identification base has been widened and we are imparting both skill and management improvement training for getting better entrepreneurs.
- (b) New lines of activities, especially non-traditional items, involving larger investment are being explored for making better enterprises. In this regard we are already making exclusive efforts to promote enterprises with more and more non-traditional items in order to explore more possibilities for activities to be undertaken by rural women entrepreneurs. We are already getting more and more entrepreneurs in non-traditional field.
- (c) Opening of centres in urban and semi-urban areas are being considered and necessary provision of 10 urban centres has been planned in the next five year plan.
- (d) Experimental beginning on expanding women's markets through opening of women's corner has been underway



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টেলিফোন নং—  
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সূত্র :

- 2 -

তারিখ :

in the process of providing marketing facilities for WEDP entrepreneurs.

- e) WEDP entrepreneurs are getting management training in a gradual process and the method, suggested in the recommendation for half-day workshop in each village or village cluster, will be followed as far as practicable. This will definitely improve the quality of entrepreneurs in near future.

2. Headquarter's support for centres :

The report mentioned that WEDP Headoffice support to the centres is not adequate and problematic. We hold different opinion on this remark. As the project is improving gradually phase by phase and loan programme is working successfully, this proves that Head Office is giving regular and adequate support to the field areas. Head Quarter is regularly monitoring the field officers progress of work. The problems of field offices are always looked into immediately and taken care of Project Director herself and other Senior Officials regularly visit field areas. It would not have been possible for any centre to run the loan programme successfully without the active support from the H.Q.

However, there are some problems like timely appointment of needed personnel in the field areas. This is being looked into and the appointments are being made.

3. Situation in Laksam :

To improve the situation in Laksam, in co-operation with DKB special recovery drive through conducting management training programme every month from January'90 till June'90 has been undertaken and we hope, this will improve the recovery position in Laksam. Otherwise BSCIC may reconsider reduction of manpower strength in Laksam.

মহিলা শিল্প উদ্যোগ উন্নয়ন কর্মসূচী  
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সূত্র :

তারিখ ।

- 3 -

4. From the foregoing it would appear that the BSCIC is making all out efforts to implement the WEDP in order to realize its aim and objectives as set forth in the PRODOG.

Please be assured of our best efforts and sincere co-operation. With regards and best wishes.

Sincerely yours,

*Rakhanam*  
10.3.90.  
(U. H. Rasheda Akhtar Khanam)  
Project Director, WEDP,  
BSCIC, Dhaka.

To

Ms. Priscilla M. Boughton  
Mission Director,  
USAID,  
Baridhara,  
Dhaka.