

CHAPTER V: MONITORING AND EVALUATION

5.1 MONITORING

Ministry Level

NLCPR guidelines prescribed following measures to be taken by the Ministry for monitoring and evaluation of various projects sanctioned under NLCPR scheme:

- Ministry should nominate a representative to attend the quarterly review meetings of the State;
- Carry out monitoring and evaluation through field inspections by officers of the Ministry, as well as through impact studies, social audits and evaluations conducted by government or through independent agencies at the request of the Ministry.

Audit at the State level, however, revealed that the representative of the Ministry took part in just two out of seven meetings in Nagaland, one out of 14 meetings in Meghalaya, none of the seven meetings held in Sikkim and three out of 17 meetings in Manipur. Minutes of the seven meetings held were not made available in case of Tripura, no meeting was held in Mizoram and in case of Assam no evidence was found to ascertain participation of the Ministry officials in 19 meetings held in that State.

Study of the tour notes in the Ministry disclosed that out of the 91 projects selected for sample study, only 28 projects had been inspected by the officials of the Ministry. Eleven projects were visited more than once and State Governments were advised to complete the projects in time. Four project sites were visited prior to the sanction of the projects. Ministry stated in August 2008 that owing to paucity of staff it had no fixed criteria for number of projects to be inspected by the officers. The Ministry added that a mechanism of quarterly inspections by the Area officers for all the NE States has been put in place from July 2008. The Ministry further stated that the projects were being monitored through quarterly progress reports, utilization certificates, inspection reports of nodal officers, photographs and also through field visits. The reply of the Ministry is not acceptable as monitoring and evaluations done by the Ministry were neither adequate nor effective as was apparent from the deficient financial management and poor completion rate of NLCPR projects discussed in the preceding paragraphs.

State Level

NLCPR guidelines prescribed following measures for monitoring and evaluation of various projects sanctioned under NLCPR scheme at State level:

- The project-wise progress of implementation was to be reported in the Quarterly Progress Report (QPR) prescribed by the Ministry, which should reach within three weeks after the end of the quarter under report.
- Chief Secretary of the State should hold quarterly meetings to review the progress of implementation of the ongoing projects under NLCPR and make available summary record of such meeting to the Ministry.
- State government should also get the projects inspected periodically.

Audit examination disclosed that these measures were not adequately followed by State Governments:

- Test check of QPRs of 68 projects revealed delays ranging from eight days to 497 days in sending the QPRs. In case of seven projects of Assam, QPRs were not submitted. In case of Nagaland, the State Government prepared UCs and progress reports on the basis of funds released without collecting feedback from the executing agencies.
- The quarterly meetings to review the progress of implementation of the ongoing projects under NLCPR by the Chief Secretaries of the States were not held regularly. Quarterly review meetings were not held in Meghalaya and Mizoram during the period under report.
- Against 282 test checked projects, only eight were inspected (Assam State only), records in respect of 110 projects were not made available (Sikkim, Nagaland, Tripura and Assam) and 164 projects were not inspected. In States of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, the projects were not inspected at all by the State Governments.

It is, therefore, evident that monitoring, both at the Ministry and in the State Governments was weak and ineffective. This aspect assumes even greater importance given the slow pace of execution and serious delays in implementation of various projects funded through the NLCPR.

The Ministry stated (February 2010) that it could not depute representatives in all the quarterly review meetings held by State Chief Secretaries because of paucity of staff/officers. The Ministry had now put in place a system of Area Officers for all NE States which would improve the participation of the Ministry in the review meetings

and increase the number of field inspections carried out. Further, to strengthen the monitoring of projects, the appointment of third party monitors was under active consideration of the Ministry and it was also considering carrying out concurrent audit of major projects sanctioned under NLCPR.

Reply of the Ministry is an admission of its failure to carry out proper monitoring in the past.

5.2 EVALUATION

5.2.1 Post implementation survey

The scheme envisaged creation of assets for improvement of both physical and social infrastructure which directly impacts the day to day life of the people of North Eastern Region. Hence it was desirable to conduct a post implementation study to ascertain the efficiency and effectiveness of operation of such infrastructure and to measure its impact on the target population/beneficiaries. No such study was however conducted by any of the States.

5.2.2 Impact not ascertained

The Ministry had carried out an impact assessment study of NLCPR projects through Indian Institute of Management, Lucknow in 2004 in four States, namely, Assam, Manipur, Mizoram and Nagaland for 55 projects, out of which 48 projects were evaluated, as seven were found incomplete. As per the evaluation study, 33 projects (69%) were successful and 15 projects failed to achieve the desired results. The Institute had recommended that the projects which were marginally successful should be closely looked at to improve their impact on people, the beneficiaries of the project must be informed of the projects and its intended benefit through a public medium to bring in transparency in the process of project execution. The project proposal from a user benefit perspective should be endorsed by an external agency which should also do a project performance assessment after the project is complete. Further to strengthen the project completion chances, the State funding commitment should be spent before Ministry funding commences. If the State funding was contingent upon Ministry funding being complete then steps must be taken to ensure that the State funding was made available in time. The report also stated that there was a strong need to streamline and standardize the communication system between Ministry, the State Planning Departments and the Project Implementing Department. Projects classified as failure were to be monitored and appropriate initiative taken to make them successful.

The Planning Commission had also not undertaken any evaluation study of impact of NLCPR. In response to Audit, the Planning Commission stated in November 2008

that projects sanctioned under NLCPR and NEC were being monitored by DONER and NEC. Though the overall implementation of various programmes was being reviewed during Annual Plan discussions of the respective States, there was no coordinated mechanism to have regular monitoring of development objectives of schemes/projects in NER through various windows. As regards the achievement of development objectives against the identified gaps in Basic Minimum Services (BMS) and infrastructure, the Planning Commission stated (November 2008) that such an evaluation was yet to be carried out. The Commission added that conducting an evaluation study on utilization and impact of investment in NER was under active consideration.

Ministry stated (February 2010) that the impact study conducted by IIM Lucknow was not accepted by the NLCPR division of Ministry of DONER since the results of the study were contrary to known facts. However, conducting an evaluation study on utilization and impact of NLCPR projects was under active consideration.