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## Abbreviations

AEC	Agricultural Extension Centre (province level)
AES	Agricultural Extension Station (district level)
APO	Annual Plan of Operation
BMZ	Bundesministerium für Wirtschaftliche Zusammenarbeit und Entwicklung
CBFM	Community-based forest management
CFM	Community forest management
CDP	Community Development Plan
CPC	Commune Peoples Committee
CTA	Chief Technical Advisor
DARD	Department of Agriculture and Rural Development
DDP	District Development Plan
DoF	Department of Finance
DOLISA	Department of Labour, Invalids and Social Affairs
DPC	District Peoples Committee
DPI	Department of Planning and Investment
EM	Ethnic Minorities
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit GmbH
LUP/FLA	Land use planning, Forest land allocation
M&E	Monitoring and Evaluation
MOLISA	Ministry of Labour, Invalids and Social Affairs
MPI	Ministry for Planning and Investment
PAEM	Participatory Agricultural Extension Methodology
PD	Project Director
PO	Plan of Operation
PPC	Provincial Peoples Committee
PSC	Project Steering Committee
PTD	Participatory Technology Development
RDDL	Rural Development Dak Lak
SCG	Savings and credit group
VDP	Village Development Planning
VMB	Village Management Board
WU	Women's Union

## **1 OBJECTIVE AND RATIONALE OF THE SHORT-TERM ASSIGNMENT**

The objective of the assignment was to establish a consistent monitoring system for phase two of RDDL together with project staff, partner institutions and with the support of national experts. The national expert team was to work especially on the elaboration of indicator measurement approaches related to national budget allocation and budget flows.

Monitoring has to be understood as an integral part of project planning and management.

In most recent developments existing monitoring approaches like “impact oriented monitoring” have been streamlined to simpler and less ambitious approaches, so that the present short term assignment uses “results-based monitoring” as the underlying monitoring concept.

Results-based monitoring has to facilitate overall project management and therefore, possible additional costs for monitoring have to be justified in terms of simplified management efforts.

As a result of continuous project monitoring the project will be able to report consistently towards third parties, like clients and national institutions.

In the course of the assignment meetings and workshops with project staff and counterpart institutions have been carried out as well as interviews with most important partner agencies in project implementation (DPI, DARD AEC, WU) and field visits.

As a result of these activities, it became evident that national counterpart and partner institutions are highly interested in developing and applying new monitoring and project management approaches. As monitoring activities have also been defined in the operational planning, representatives of the respective institutions clearly indicated their commitment with the application of the monitoring routines and their willingness to cooperate in the development of the monitoring mechanisms.

These two aspects, the willingness and interest of partner institutions and the already agreed application of joint monitoring mechanisms in the operational planning, made it possible to design the monitoring system in a way that the development and application of the monitoring mechanisms become project outputs and uses of project outputs, respectively. This again has as a consequence that monitoring does involve virtually no additional costs, as the respective activities have become an integral part of project activities.

Still, it has to be made clear, that the application of these new management, planning and monitoring approaches will require a mutual learning process that has been initiated with the present assignment. This will consume additional time in the initial phase of its implementation. But it is expected that these investments will be compensated by improvements in overall management and respective changes in coordination with partner institutions.

This report will present in the following chapter 2 the impact chains that have been developed together with partner institutions on the basis of the operational plan in the course of the assignment.

In the third chapter the respective monitoring formats and procedures will be outlined. A focus will be laid on the integration of the different monitoring levels in the overall project planning and management process and on the interrelation of the monitoring procedures.

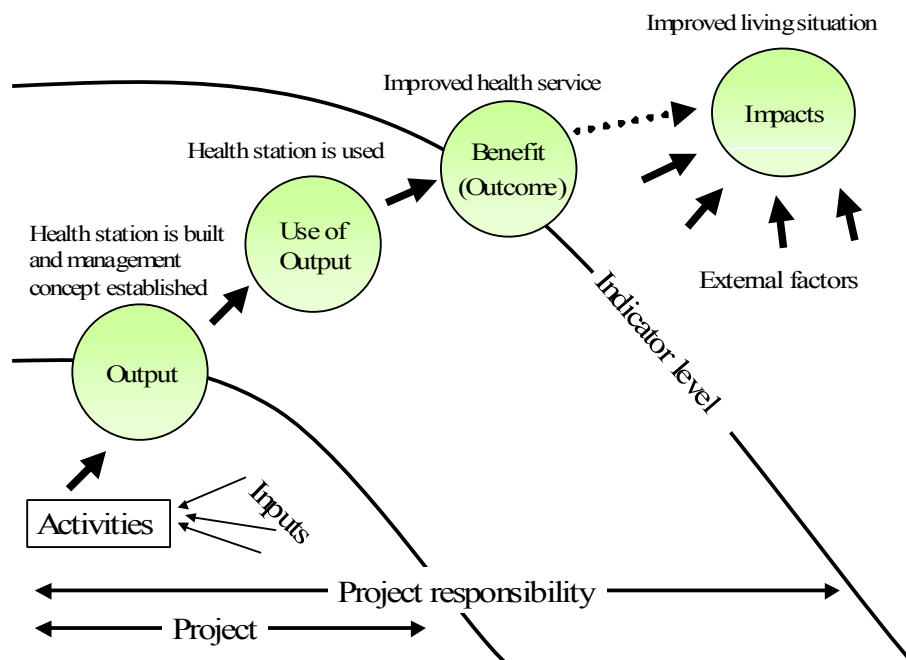
The forth chapter will elaborate on the relation of results-based monitoring with other GTZ M&E tools.

The fifth and sixth chapter will give recommendations on the handling of the existing data base and follow-up activities.

## 2 FORMULATION OF IMPACT CHAINS AND INTERRELATION OF INDICATORS

### 2.1 Methodology

The methodology is based on the guidelines and conceptual documents for results-based monitoring prepared by GTZ and reflects the recent conceptual adjustments. Illustration 1 shows the logic of the concept where the main task is to formulate the respective outputs that can ensure an achievement of the formulated indicators. The outputs represent the limits of project scope. Nevertheless, the achievement of the indicators, which lay on the outcome or benefit level is still responsibility of the project. The



**Illustration 1: Concept of impact chains with example**

project has to make sure that the outputs are used accordingly by partner institutions, other organisations or target groups in order to achieve the indicators. For the generation of outputs, activities have to be carried out with inputs from German and counterpart institutions. Thus, the overall impact chain from inputs to activities, over outputs and use of outputs to outcome is created. Especially on the use of output and outcome level hypotheses have to be formulated. These are usually based on assumptions made in the project planning, but will have to be specified.

Until the outcome level, the attribution of the achievement of indicators by project activities is relatively clear, although there can be other factors or projects that might contribute. One level above - at the impact or aggregated benefit level - the contribution of project outputs and activities

can only be assessed by qualitative description and assumptions. The illustration gives an example for the health sector that RDDDL counterparts have developed in order to clarify the concept.

In a first step of the formulation of the impact chains, project goal and project phase indicators have been interrelated in a logical order and grouped according to the project components. This interrelation already can be understood as an impact chain on a strategic level, where the accomplishment of certain indicators contributes to the fulfilment of others. For this reason, the described exercise that has been undertaken with project staff and partner institutions is already the first approximation of the detailed impact chains. The result of this exercise is presented in chapter 2.2.

In a second step, the operational plan of the project was reviewed in order to formulate the outputs and uses of outputs that are necessary to achieve the indicators. As the indicators have been grouped and interrelated before, the number of outputs could be limited, because certain outputs can contribute to different indicators at the same time. In general the formulation of outputs and respective uses followed the hierarchical order of the operational planning. Only three activities in the operational plan have been elevated to output level and to use of output level respectively. These are marked in the description of the respective impact chains.

The third step involved the identification of monitoring activities in the operational plan, which also have been reformulated as project outputs, now called monitoring routines.

By this, the monitoring of the project has been made an integrated part of project management and project activities and the additional work for monitoring could be reduced to a minimum. It has to be stated that this was possible because the operational planning was already undertaken in view of results-based monitoring, so that the project planning logic did not need to be changed. Another factor that facilitated this approach was the high interest from DPI in developing and establishing new forms of monitoring. For this reason DPI involved themselves from the very beginning in the development of the monitoring system.

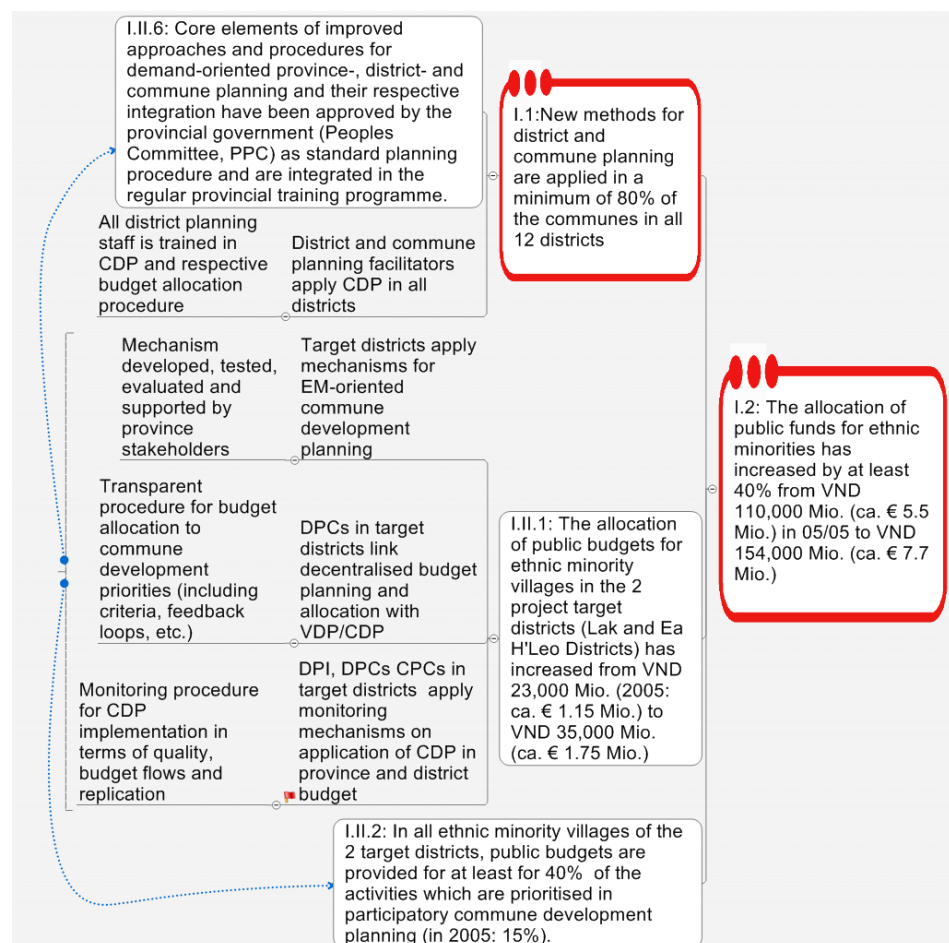




small-scale credit group approach and I.5 (replication of marketing activities and value chains outside the project target districts. For the on-going phase, however, only one of these indicators, i.e. I.5 is directly related to an explicitly formulated indicator, i.e. I.II.3 (tested, documented and replicated models for EM). This indicator can thus be interpreted as a milestone towards the overall objective. No separate indicator has however been introduced into the project design as a milestone for I.4 (credit groups) at the level of the phase objective.

## 2.3 Component 1 Impact Chain and Hypotheses

Illustration 3 presents the relation of indicators and outputs of component 1. In this component there are 5 indicators interrelated, plus the overall indicator I.6. regarding poverty reduction in target communes (see overall project design). The latter is not shown here in order to save space. It is



**Illustration 3: Impact chain of component 1**

being assumed that all outputs are directly or indirectly related to this indicator.

All five indicators can be achieved by the generation and use of 4 outputs, out of which one is the monitoring routine for CDP implementation. The monitoring routine has to cover the mentioned 5 indicators plus the indicator on poverty. Details of data collection for each indicator are specified in chapter 3.2.

The three outputs and their uses which are related to indicator I.II.1 (Mechanisms for EM-oriented CDP, transparent procedure for budget allocation and monitoring routine) will also lead to the accomplishment of Indicators I.II.2 and I.II.6. The fourth output is related to the training of all district planning staff in CDP and budget allocation procedures.

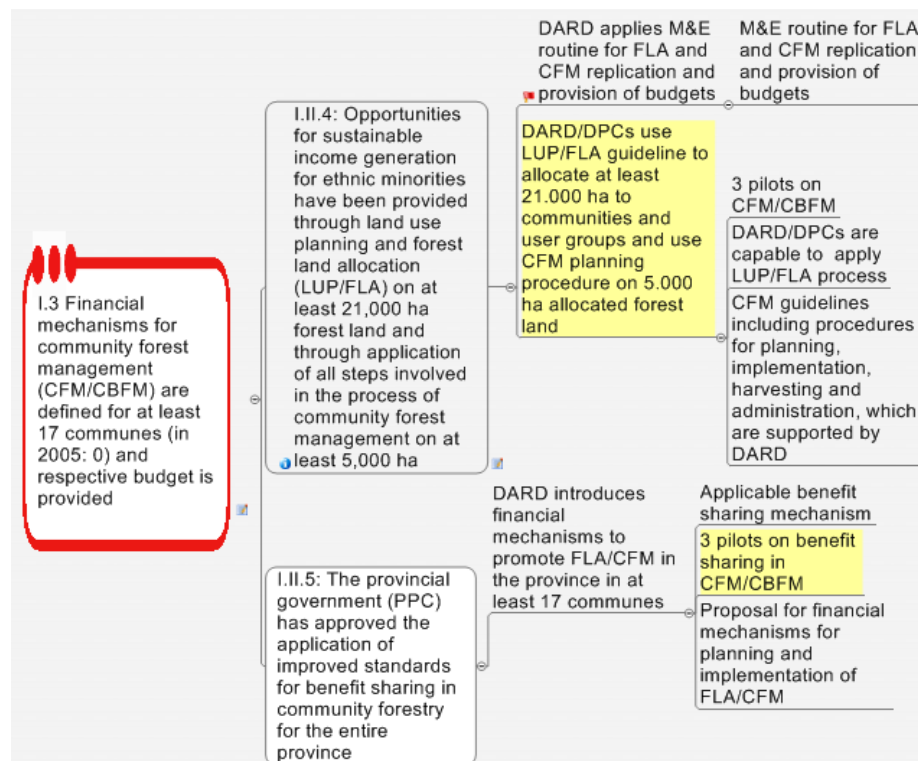
With these elements the Indicator I.1 (Application of new methods for district and commune planning in 80% of the communes) will be achieved. Together with the accomplishment of Indicator I.II.1 and I.II.2 this in turn will lead to an increased allocation of public funds to ethnic minorities (Indicator I.2)

For the functioning of the described impact chains the following hypotheses and assumptions are made, which have to be monitored in the use of outputs accordingly:

1. The decentralisation of budget management for regular budgets and targeted programmes continues.
2. The application of new planning measures will have an effect on the flow of funds from central targeted programmes.
3. Province supports the application of CDP as a standard planning procedure
4. Public budgets in general are not shrinking.

## 2.4 Component 2 Impact Chain and Hypotheses

Component 2 is linked with indicator I.3 (Definition of financial mechanisms in 17 communes and respective budget allocation) and Indicators I.II.4 (Forest land allocation) and I.II.5 (Approval of improved standards for benefit sharing). The latter two lead to the achievement of the first (see illustration 4).



**Illustration 4: Impact chain for component 2**

For this component 7 outputs have been defined which lead to three different uses, as two of the uses apply three outputs as a package.

One output and one use of output as defined here are not reflected in the operational plan on the same hierarchical level as shown here (marked with yellow). The application of LUP/FLA guidelines is considered an activity in the PO and APO, whereas it should be interpreted as a use of output as shown here. The pilots for benefit sharing are as well in the PO and APO mentioned as activities. Here they are categorized as outputs.

Again, one of the outputs is a monitoring routine, which in this case is related to FLA and CFM replication and provision of budgets.

The elaboration of an applicable benefit sharing mechanism, the implementation of 3 pilots on benefit sharing and the proposal for financial mechanisms for planning and implementing of FLA/CFM is the first

package of outputs. With this package DARD will be able to implement CFM in at least 17 communes. The latter is the use of the outputs. These steps are necessary for the approval of improved standards for benefit sharing in the whole province (Phase Indicator). In this context it has to be mentioned that the general approval by PPC requires a prior amendment of decision 178 at central level. In this case also central level is seen as a user of the output making it a basis for the amendment of decision 178. This is also reflected in the assumptions of this impact chain mentioned below.

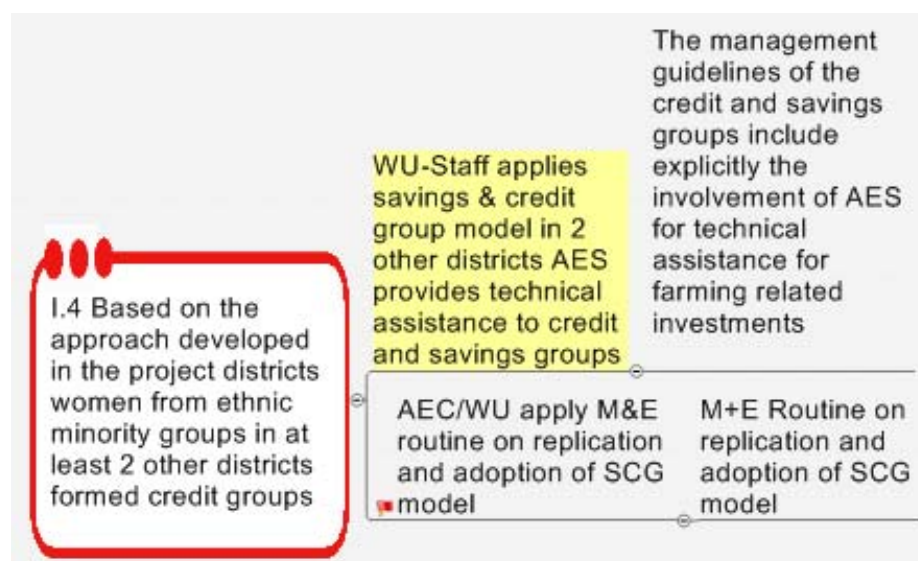
For the application of CFM guidelines by DARD to allocate 21.000 ha of forest land (use of outputs), the implementation of the three pilots on CFM/CBFM is a necessary output. Additionally, the respective CFM guidelines have to be finalised and supported by DARD while DARD and the DPCs have to be capable to implement the LUP/FLA process. All this will enable the province to apply the respective monitoring routines in the allocation of 21.000 ha of forest land, including all steps involved for CFM on at least 5.000 ha allocated forest land.

For the functioning of the described impact chains the following hypotheses and assumptions are made, which have to be monitored in the use of outputs accordingly:

1. The establishment of the pilots is not hampered by illegal logging
2. FLA and CFM planning procedure is supported by DARD
3. Core elements of the new benefit sharing concept are accepted by MARD and integrated in the general regulation
4. Budgets to promote FLA and CFM are available.

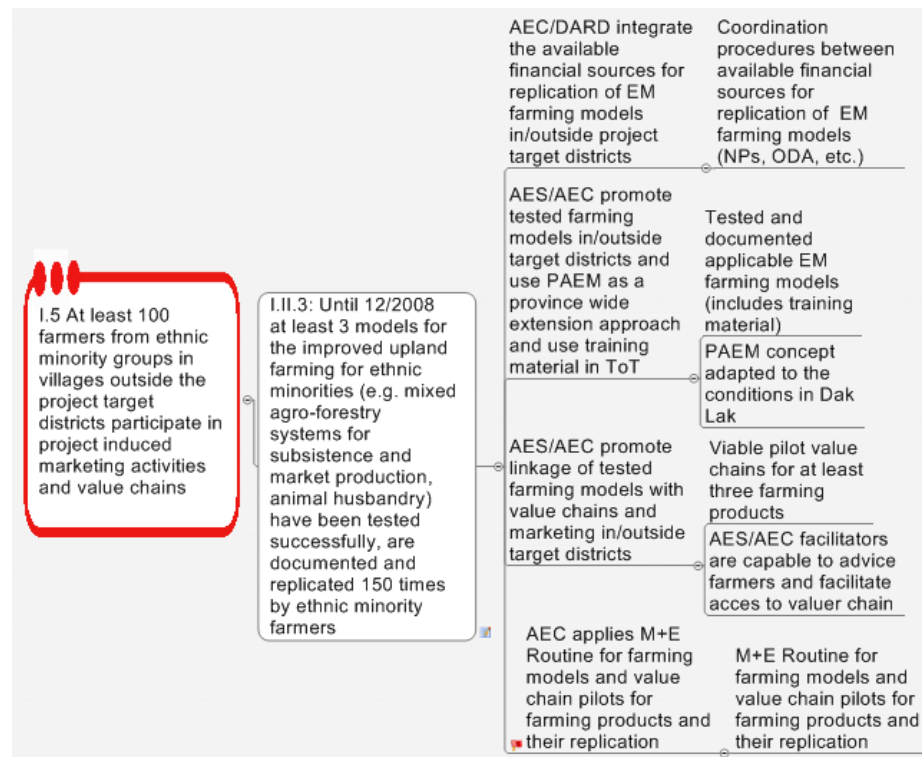
## 2.5 Component 3 Impact Chains and Hypotheses

The impact chains related to component 3 are reflected in illustrations 5 and 6. These involve the indicators I.4 and I.5 for the project overall objective ('replication of the introduced credit group approach in 2 other districts' and 'replication of marketing activities and value chains outside the target districts') and phase indicator I.II.3 (testing, documentation and replication of farming models). Indicator I.II.3 has to be interpreted as a prerequisite for Indicator I.5, whereas for project indicator I.4 no such a phase indicator has been specified in the project design.



**Illustration 5: Impact chain for indicator I.4**

The achievement of indicator I.4 is based on two outputs. One of them is related to the respective monitoring routine. The other is inclusion of technical assistance by the extension service in the management guidelines for the credit and savings groups. The use of the latter one is marked with yellow as it has not yet been reflected explicitly in the operational plan.



**Illustration 6: Impact chain for indicators I.5 and I.II.3**

The achievement of indicators I.5 and I.II.3 depend on 6 outputs, including a respective monitoring routine. The 6 outputs lead to 4 uses of outputs.

The monitoring routine that should be applied by AES/AEC looks at EM farming models and value chain pilots and their replication in other districts.

The second use aims at the promotion of the linkage between the tested farming models with value chains and marketing. The third use aims at the promotion of the farming models as such, applying PAEM approach and respective training material. These two uses are expected to be interlinked. The necessary outputs for these uses are the tested EM farming models, the adaptation of PAEM concept to conditions in Dak Lak, viable pilots chains for at least 3 farming products and capacitated AES/AEC facilitators.

The fourth use aims at replication of the EM farming model in- and outside the project target districts by integrating financial resources from national and ODA programmes. The plan of operation therefore includes the development of coordination procedures between the different financial sources, which is here presented as an output.

The set of these four uses with the respective outputs aim at the achievement of indicators I.II.3 and I.5.

For the functioning of the described impact chains the following hypotheses and assumptions are made, which have to be monitored in the use of outputs accordingly:

1. AES/AEC and WU support the developed models
2. The promoted marketing activities and value chains remain

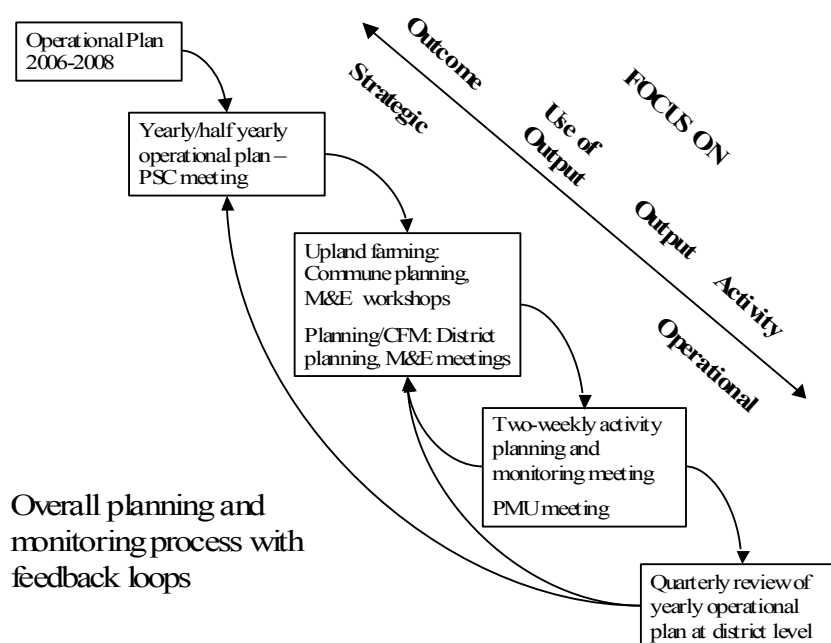
economically feasible

3. The promoted farming models remain economically feasible.

### 3 MONITORING PROCEDURES AND FORMATS

#### 3.1 Overall project planning and monitoring process

Illustration 7 shows the overall project planning and monitoring process. A main feature of the process is that planning and monitoring procedures are linked from the very beginning in order to set up a monitoring mechanism that serves as the basis for overall project management.



**Illustration 7: Overall planning and monitoring process in RDDL**

In the set-up of the system existing operation planning, monitoring and coordination teams and committees have been maintained. There was no need to set-up new structures. The respective procedures and formats will be detailed in the following chapters.

The planning and monitoring process can be interpreted as a cascade of interrelated procedures, teams/committees and formats. Respective feed back loops of information have been formalized. The starting point is the operational plan for phase II. Below this level, the different teams/committees, due to their function focus with different emphasis on strategic (Outcome, Use of Output) or operational (Output, activities) planning and monitoring. The different teams/committees, although having different foci, always take into consideration the overall project from activity



to outcome level. There are three important teams/committees (PMU meetings, Staff meetings, quarterly district meetings) that feed back information to operational (commune and district planning and monitoring meetings) and strategic level (biannual PSC meetings).

Illustrations 8 and 9 show a detailed description of the different planning and monitoring steps with regard to format, committee, frequency and procedures.

Strategic planning and monitoring		
	Phase II	Annual
Step	Operational Plan 2006-2008	Yearly/half yearly operational plan
Format	Planning Matrix for operational plan	Planning Matrix Formats for Indicator and output/use of output monitoring
Committee	Project Planning Workshop	Biannual PSC Meeting
Frequency	Once per phase	Planning frequency: 2 per year M&E frequency: 2 per year
Procedures	Stakeholder planning workshops	PSC/PMU meetings

**Illustration 8: Strategic planning and monitoring**

Important instruments are the planning and monitoring sheets that are described in the following chapters. Starting from the planning and monitoring of the generation of outputs, specific activities are defined for each output. These are further detailed in the activity planning. In turn, the monitoring of these activities leads to a direct feedback for the monitoring of these outputs and their utilisation by intermediaries and target groups.

This information will be fed into the monitoring of indicators, where additional information is generated through monitoring routines that have been developed together with partner institutions in the course of this assignment. The information generated in these monitoring routines mainly relies on statistical and secondary data produced by government agencies and information from the planning, monitoring and reporting systems of the involved agencies. The frequency of implementation of the different steps,

together with the frequency of data collection for the different indicators and monitoring levels which are described in the following chapters establishes the time framework for the data collection.

	Operational planning and monitoring		Feedback to operational & strategic planning
	Project Areas	PMU/TA-Team	
Step	Upland farming: Commune planning, M&E workshops Planning/CFM: District planning, M&E meetings	Two-weekly activity planning and monitoring meeting	Quarterly review of operational plan at district level
Format	Output/activity planning and monitoring sheets	Output/activity planning and monitoring sheets	Output/Use of output /Indicator monitoring sheets
Committee	Province, district and commune meetings	PMU/Staff meetings	Quarterly PMU meeting at district level
Frequency	2 to 3 times per year	Every 3 months/ 2 weeks	Every three months
Procedures	Result of planning: Component action plan	Review of activities and outputs/ use of outputs	Respective monitoring results are compared with operational plan

**Illustration 9: Operational planning and monitoring**

## 3.2 Monitoring of outcomes (benefit)

Monitoring of outcomes is based on the indicators for the objective of the phase and the project goal.

Relevant for reporting in Phase II are the phase indicators. Nevertheless, the indicators for the project goal have to be monitored already in the present phase. On the one hand, this is necessary to provide the required information in the next phase. On the other hand steps have to be taken already in this phase in order to achieve the project goal in the short remaining project time after the end of the second phase.

A respective indicator monitoring sheet has been developed, with which the particular indicators can be monitored with respect to achieved related outputs and uses of output as well as externally generated data (see annex 3).

As pointed out before, the setup of respective monitoring routines has been defined as project outputs and thus become an integral part of project activities. In the course of the consultancy general routines for data collection have been defined. A workshop has been held with all involved partner institutions for the draft definition of the respective routines for all

indicators. The results of the workshop and the working groups are being included in the following, as well as the results of interviews with representatives of partner institutions.

The project outputs regarding monitoring routines have been defined for groups of indicators. As a consequence, the monitoring mechanisms for the individual indicators could be integrated into group monitoring routines as shown in table 1 (see annex 2 for the grouping of project indicators and related monitoring outputs). The integration of the indicator mechanisms into monitoring routines is shown in annex 8.

Proposals for data collection are explained in the following for each indicator.

Monitoring routine	Related Indicators
Monitoring routine for CDP implementation in terms of quality, budget flows and replication	I.1; I.2; I.6 I II.1; I II.2; I II.6
Monitoring routine for FLA and CFM replication and provision of budgets	I.3 I.II.4; I.II.5
Monitoring Routine for EM farming models, value chain pilots for farming products and their replication	I.5 I.II.3
Monitoring Routine on replication and adoption of SCG model	I.4

**Table 1: Monitoring routines and related indicators**

The data generated by the monitoring routines will be inserted into the indicator monitoring sheet (see annex 3) and discussed in the biannual PSC meetings, where an assessment regarding the following aspects will be made.

- Corrective measures to be taken
- Quality assessment
- Unexpected positive effects
- Unexpected negative effects
- Context assessment
- Assessment of future development of the indicator accomplishment

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## **PROJECT INDICATORS**

**I.1: New methods for district and commune planning are applied in a minimum of 80% of the communes in all 12 districts**

### **Related project monitoring routine:**

Monitoring routine for CDP implementation in terms of quality, budget flows and replication

### **Responsible for data collection:**

DPI

### **Data source:**

District reporting, implementing agencies for specific programmes/ projects)

### **Measurement criteria:**

Number of communes in which CDP is applied

### **Procedure for data collection:**

Districts report to DPI regarding the applied planning procedures and results. There are two alternative situations::

1. As soon as CDP has become a standard procedure in the province, Indicator I.II.6) the district finance and planning sections will report annually on the application of CDP procedures in their standard reporting routine to DPI.
2. If CDP procedures are being replicated in the framework of other projects or programmes (national/ODA), DPI will source this information annually (October) through PPC and the implementing agencies. Therefore, RDDL should maintain the updated list of relevant projects and programmes.

### **Frequency of data collection:**

Annually in October

**I.2: The allocation of public funds for ethnic minorities has increased by at least 40% from VND 110,000 Mio. (ca. € 5.5 Mio.) in 05/05 to VND 154,000 Mio. (ca. € 7.7 Mio)**

For the monitoring of this indicator, a team of national experts in cooperation with DPI is presently preparing a detailed proposal. In the following only the general approach is outlined.

**Related project monitoring routine:**

Monitoring routine for CDP implementation in terms of quality, budget flows and replication

**Responsible for data collection:**

DPI: Monitoring of issues under DPI responsibility and aggregation of reports from relevant agencies.

**Data sources:**

On province level:

Planning and reporting documents of targeted central programmes where orientation towards EM is specified.

On district level:

Planning and reporting documents from Planning Section

**Measurement criteria:**

On province level:

Amount of targeted central public funds allocated to EM

On district level:

Amount of targeted central public funds from programmes managed on district level, that are oriented to EM communes

Amount of infrastructure investments allocated to EM communes

**Procedure for data collection:**

On province level:

Programmes that are exclusively oriented at EM are identified and respective agencies will report to DPI

Programmes that have EM specific budget lines are identified and responsible agencies will report the respective amounts to DPI.

On district level:

District Planning section monitors the amounts allocated to EM communes and reports to DPI

**Frequency of data collection:**

Biannually (20<sup>th</sup> of June and 20<sup>th</sup> of December)

**I.3: Financial mechanisms for community forest management (CFM/CBFM) are defined for at least 17 communes (in 2005: 0) and respective budget is provided**

**Related project monitoring routine:**

Monitoring routine for FLA and CFM replication and provision of budgets

**Responsible for data collection:**

DARD-Forest Development Department in cooperation with DPI and Financial Department

**Data source:**

Planning and Implementation reports from DARD and from Districts to DARD

**Measurement criteria:**

- Essential financial mechanisms for FLA and CFM identified, formulated and applied by Province, particularly:
  - Benefit sharing mechanism (tax, levies, administration at lower levels, etc.)
  - Public budget provision for forest land allocation and CFM-planning processes
  - Public investment funds in CFM including monitoring and administration
- Number/name of communes by district where financial mechanisms are applied and respective budget provision for:
  - land allocation and CFM-planning processes
  - investment funds in CFM including monitoring and administration

**Procedure for data collection:**

1. District Economic Sections report biannually (01. June/01. December) by commune on:
  - a. Application of benefit sharing mechanism (tax, levies, administration at lower levels, etc.)
  - b. Provision of public budgets for forest land allocation and CFM-planning processes
  - c. Provision of public investment funds in CFM including monitoring and administration from regular budget and national/ODA programmes
2. FD/DARD reports annually (15. December) by district and commune on:
  - a. Application of benefit sharing mechanism (tax, levies, administration at lower levels, etc.)
  - b. Provision of public budgets for forest land allocation and CFM-planning processes
  - c. Provision of public investment funds in CFM including monitoring and administration from regular budget and national/ODA programmes

**Frequency of data collection:**

biannually/annually

**I.4: Based on the approach developed in the project districts women from ethnic minority groups in at least 2 other districts formed credit groups**

**Related project monitoring routine:**

Monitoring routine on replication and adoption of SCG model

**Responsible for data collection:**

Commune women unions under coordination of district and province women unions

**Data source:**

Monitoring lists of savings groups and data from opened bank accounts

**Measurement criteria:**

1. Number of formed savings and credit groups
2. Establishment of bank accounts
3. Utilization of savings and credits for developed farming models (including value chains)

**Procedure for data collection:**

Data regarding credits and use of credit is available with the Social Policy Bank. The information regarding savings and their utilisation is directly monitored by the savings groups.

Commune and district Women's Unions report to Province Women's Union, which will be responsible as well for the collection of data with the Social Policy Bank.

**Frequency of data collection:**

Every 3 months

<p><b>I.5: At least 100 farmers from ethnic minority groups in villages outside the project target districts participate in project induced marketing activities and value chains</b></p>
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**Related project monitoring routine:**

Monitoring routine for EM farming models and value chain pilots for farming products and their replication

**Responsible for data collection:**

AEC/AES

**Data source:**

Information from workshops and follow-up monitoring

Bottlenecks in the marketing chain (e.g. processing factories for cassava/peanut/cashew, small scale service providers for processing in coffee, pepper, etc.)

**Measurement criteria:**

1. Number of EM farmers marketing products from project-induced farming options



2. Number of contracts made with processing factories following project supported training and information events
3. Number of farmers utilising local project-induced small-scale processing services or local traders participating in the project-supported value chain

**Procedure for data collection:**

1. For EM farmers marketing products from project-induced farming options:  
Following information and training events on project-induced EM farming options outside the target districts, district AES will support EM farmer-common-interest groups according to the AEC PAEM concept. In the course of this process, AES together with the respective commune extension workers organize biannual evaluation events in which the number of farmers actively marketing products from project-induced farming options is compiled. In this context the replication of these marketing activities beyond the initially formed farmer groups will also be monitored.
2. For marketing activities and value chains involving processing factories:  
AES will monitor biannually the number of signed contracts between EM farmers and involved factories, directly following information and training events on linking agriculture production with processing industry.
3. For the utilization of project induced small-scale processing services and selling to local traders:  
AES will monitor biannually numbers of EM farmers using the processing services with service providers and EM farmers selling to local traders.

**Frequency of data collection:**

Biannually

<b>I.6: The number of poor EM HHs in the target communes is reduced by 30% from 767 (2005) to 537 (2009).</b>
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**Related project monitoring routine:**

Monitoring routine for CDP implementation in terms of quality, budget flows and replication

**Responsible for data collection:**

Economic sections and statistic sections of districts in cooperation with commune statistic sections and villages

**Data source:**

Data from DOLISA household survey

**Measurement criteria:**

Number of poor households according to poverty criteria of the MOLISA system

**Procedure for data collection:**

Every 1.10. of the year a household survey is undertaken by DOLISA. Villages are in charge of collecting the data, which then will be reported to commune and district and published.

**Frequency of data collection:**

Annually

***PHASE INDICATORS***

<p><b>I.II.1: The allocation of public budgets for ethnic minority villages in the 2 project target districts (Lak and Ea H'Leo Districts) has increased from VND 23,000 Mio. (2005: ca. € 1.15 Mio.) to VND 35,000 Mio. (ca. € 1.75 Mio.)</b></p>
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For the monitoring of this indicator, a team of national experts in cooperation with DPI is presently preparing a detailed proposal. In the following only the general approach is outlined.

**Related project monitoring routine:**

Monitoring routine for CDP implementation in terms of quality, budget flows and replication

**Responsible for data collection:**

DPI, with involvement of the other related agencies such as Planning section, Ethnic and religion section etc. on district level and DPCs/CPCs

**Data source:**

Planning and monitoring procedures on province, district and commune level

**Measurement criteria:**

Funds allocated to EM villages in target districts through local budgets and targeted national budgets.

**Procedure for data collection:**

1. Monitoring of the allocation of public funds on province level:

Based on the monitoring procedures applied for budget allocation at province level, DPI monitors the budget allocation to minorities villages in target districts through the plans and evaluation reports of DPCs (via District Planning Section).

2. At district level:

DPI monitors on the basis of plans and reports of DPCs (through District Planning Section); and aggregates reports from relevant organizations.

The monitoring of District Planning Section is based on:

- Annual plans assigned by PPC and DPI to DPC; plans of relevant departments; DPC plans (approved by district People's Council); regular budgets allocated to ethnic minority villages.
- Reports by relevant sections in the districts and CPCs.

**Frequency of data collection:**

Biannually (June and December)

<p><b>I.II.2: In all ethnic minority villages of the 2 target districts, public budgets are provided for at least for 40% of the activities which are prioritised in participatory commune development planning (in 2005: 15%)</b></p>
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For the monitoring of this indicator, a team of national experts in cooperation with DPI is presently preparing a detailed proposal. In the following only the general approach is outlined.

**Related project monitoring routine:**

Monitoring routine for CDP implementation in terms of quality, budget flows and replication

**Responsible for data collection:**

DPI, in coordination with DPCs and CPCs

**Data source:**

CDP Formats

District Plan on budget allocation to communes

**Measurement criteria:**

Number of prioritized activities that have been provided with public budgets

**Procedure for data collection:**

Monitoring and reporting system from VMB to CPC to DPC to DPI:

1. DPC:

District Planning Section is responsible for the monitoring and evaluation of the public budget allocation for the activities prioritized in CDP at district level based on:

- Budget allocation plan to communes;
- CDP reported by CPCs;
- Commune reports on CDP implementation.

The monitoring is conducted every 6 months (on 15/6 and 15/12 annually).

2. CPC:

The planning staff is responsible for the monitoring and evaluation of the public budget allocation for the activities prioritized in CDP at commune level based on:

- Budget allocation plan to communes;
- CDP;
- Village reports on VDP implementation.

The monitoring is conducted every 6 months (on 10/6 and 10/12 annually).

In order to facilitate the monitoring, one more column should be inserted in the CDP planning format to evaluate which activities are allocated budget.

3. Village Management Board:

Based on the village development plan and CDP activities to be implemented in the village, VMB prepares monitoring report every 6 months (on 05/6 and 05/12 every year).

**Frequency of data collection:**

Biannually

**I.II.3: Until 12/2008 at least 3 models for the improved upland farming for ethnic minorities (e.g. mixed agro-forestry systems for subsistence and market production, animal husbandry) have been tested successfully, are documented and replicated 150 times by ethnic minority farmers**

**Related project monitoring routine:**

Monitoring routine for EM farming models and value chain pilots for farming products and their replication

**Responsible for data collection:**

AEC/AES

**Data source:**

Information from workshops and follow-up monitoring (including AES training lists)

Bottlenecks in the supply chain (e.g. sellers of fodder grass shoots, enzymes for composting)

**Measurement criteria:**

Number of farmers applying farming models developed by the project

**Procedure for data collection:**

Following information and training events on project-induced EM farming options outside the target districts district AES will support EM farmer-common-interest groups according to the AEC PAEM concept. In the course of this process, AES together with the respective commune extension workers organize biannual evaluation events in which the number of farmers applying the farming models is compiled. In this context the replication of these models beyond the initially formed farmer groups will also be monitored.

Additionally, AES will monitor at bottlenecks in the supply chain related to the implementation of the promoted models how many EM farmers have been buying the respective materials (e.g. cashew seedlings, cashew grafting material, fodder grass shoots, enzymes for compost). For other models these bottlenecks still have to be defined.

The information will be cross-checked in field visits.

**Frequency of data collection:**

Biannually

**I.II.4: Opportunities for sustainable income generation for ethnic minorities have been provided through land use planning and forest land allocation (LUP/FLA) on at least 21,000 ha forest land and through application of all steps involved in the process of community forest management on at least 5,000 ha**

**Related project monitoring routine:**

Monitoring routine for FLA and CFM replication and provision of budgets

**Responsible for data collection:**

DARD

**Data source:**

Record of Forest land allocation for each district

Monitoring of set-up of CFM

**Measurement criteria:**

Allocation of forest land (red book): 21.000 ha

Elaboration of CFM-plans: 5.000 ha

**Procedure for data collection:**

Districts report area allocated based on the participatory FLA/process to FD/DARD.

Districts report area allocated based on participatory CFM-planning process to FD/DARD.

DARD provides the aggregated statistics from allocation in the province. Application of planning procedures can be monitored in connection with training and coaching in the Districts.

**Frequency of data collection:**

Annually and when trainings take place

<b>I.II.5: The provincial government (PPC) has approved the application of improved standards for benefit sharing in community forestry for the entire province</b>
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**Related project monitoring routine:**

Monitoring routine for FLA and CFM replication and provision of budgets

**Responsible for data collection:**

RDDL/DARD

**Data source:**

Project Monitoring of use of outputs

**Measurement criteria:**

Official approval of the improved standards for benefit sharing

**Procedure for data collection:**

Progress to be monitored through project monitoring of use of outputs. Following milestones in the use of outputs can be differentiated.

1. Evaluation workshop on pilots
2. DARD submits proposal to PPC
3. Technical staff of PPC evaluate and can ask questions for clarification
4. PPC supports the document and proposes it to MARD as a basis for formulation of the general benefit sharing regulation.
5. Core elements of the proposal are reflected in the national benefit sharing regulation and applied in Dak Lak

**Frequency of data collection:**

According to regular project monitoring of use of outputs

**I.II.6: Core elements of improved approaches and procedures for demand-oriented province-, district- and commune planning and their respective integration have been approved by the provincial government (Peoples Committee, PPC) as standard planning procedure and are integrated in the regular provincial training programme.**

**Related project monitoring routine:**

Monitoring routine for CDP implementation in terms of quality, budget flows and replication

**Responsible for data collection:**

RDDL/DPI

**Data source:**

Project monitoring of use of outputs

**Measurement criteria:**

Official approval of improved approaches and procedures for demand-oriented planning and schedule of training events organised by PPC/DPI

**Procedure for data collection:**

Progress to be monitored through project monitoring of use of outputs

**Frequency of data collection:**

According to regular project monitoring of use of outputs

### 3.3 Monitoring of the use of outputs

For the monitoring of the use of outputs a planning and monitoring sheet has been prepared (see annex 4). This sheet has to be applied only when a respective output already has been finished.

**Responsible for preparation and coordination:**

Output responsible in RDDL

(As the project outputs have been grouped according to the components, one staff will be responsible for all outputs and respective use in the component.)



**Data source:**

Monitoring meetings with involved actors

**Measurement criteria:**

- Advances/obstacles in the achievement of milestones
- Quality assessment
- Quantification of the use of outputs (where possible)
- Assessment of positive and negative side effects
- Assessment of framework conditions (based on hypotheses made in the impact chains)

**Procedure for data collection:**

As soon as an output is produced, there has to be a meeting in order to identify and plan complementary measures for a successful use of the output. Here certain milestones will be defined and respective supporting activities specified. The achievement of the milestones will be monitored for each use of output.

The monitoring of use of outputs that are directly linked with district level shall take place on district level in quarterly district meetings.

Use of outputs that are linked directly with the province level shall be monitored in the PMU meetings. The output responsible has to prepare respective information.

**Frequency of data collection:**

Preparation for PMU and PSC meetings

### 3.4 Monitoring of generation of outputs

For the monitoring of the generation of outputs a planning and monitoring sheet has been prepared (see annex 5). This sheet has to be applied only until an output has been finalized. From then on the respective use of output monitoring sheet will be applied.

**Responsible for preparation and coordination:**

Output responsible in RDDDL

**Data sources:**

Monitoring meetings with involved actors

## Activity monitoring

### **Measurement criteria:**

- Advances/obstacles in the accomplishment of activities
- Quality assessment
- Assessment of positive and negative side effects

### **Procedure for data collection:**

The monitoring of generation of outputs shall take place on district level in quarterly district meetings. The results of the output monitoring will be discussed in the staff meetings and PMU meetings.

### **Frequency of data collection:**

Preparation for PMU and PSC meetings

## 3.5 Activity Monitoring

For the activity monitoring a planning and monitoring sheet has been prepared (see annex 6). For each activity that has been specified in the output planning and monitoring sheets the sub-activities will be planned in detail and accordingly be monitored.

### **Responsible for preparation and coordination:**

Output responsible in RDDDL

### **Data source:**

Monitoring meetings in field visits and district and commune meetings.

### **Measurement criteria:**

- Advances in the accomplishment of sub-activities
- Quality assessment
- Assessment of positive and negative side effects

### **Procedure for data collection:**

When field visits are planned, always a space for the monitoring of activities has to be scheduled in the agenda. The same applies to activities that are implemented on district level. The implementation of these activities has to be monitored on a routine basis in the district planning and monitoring meetings.

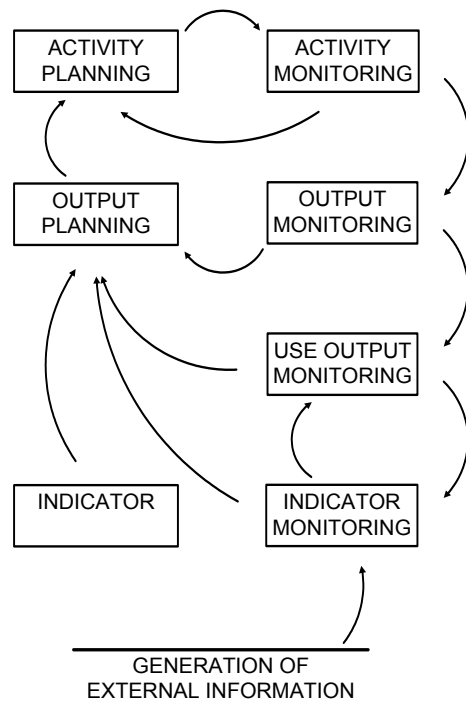
**Frequency of data collection:**

In general the monitoring should be done monthly. Nevertheless, this can vary with the activities and outputs. For this reason it is recommended that for each one a monitoring plan is prepared. This already forms part of the activity planning and monitoring sheet.

### 3.6 Interrelation of planning and monitoring procedures and aggregation of data

The different planning and monitoring procedures are interrelated as shown in illustration 10.

The process starts with the indicators. As a first step in the project planning outputs have been defined that have been operationalized in the operational planning.



In the planning of generation of outputs activities have been outlined, which are detailed in the activity planning with respective sub-activities. On the one hand, these activities are monitored regularly. Adjustments in the activity planning are made according to requirement. On the other hand, the activity monitoring delivers information that will be aggregated in the output monitoring. The results of output monitoring in turn will give feedback for output planning: Adjustments can be made where deemed necessary. As soon as an output has been generated, the use of output monitoring will be initiated. If the use of outputs shows necessity for additional inputs this can be considered in the respective output planning. Information of use of outputs and generation of outputs respectively will be considered in the indicator monitoring. The indicator monitoring will also require external information that will be generated with the monitoring

**Illustration 10: Information flow for planning and monitoring**

routine defined in the course of this assignment. Results from indicator monitoring will give feedback to output planning and use of output monitoring. It is important to mention that for the logics of the approach there can not be planning related the use of the output, as this is already happening outside the project scope. Still, in monitoring of the use of outputs according to the defined milestones might occur the need for some further supportive measures or adjustments. These will be considered and scheduled in the use of output monitoring sheet.

On all three levels (activities, outputs and use of outputs) planning and monitoring has been integrated in one format, so that the sheets can be used simultaneously for both purposes and feedback loops are accordingly short. Data aggregation will be done per output or use of output respectively. The output planning and monitoring sheets will be updated

according to the monitoring schedules. For each of the outputs files will be prepared where the respective output and activity planning and monitoring sheets are saved. The system can be organised by physical files as well as by electronic files. There is no need for the creation of a data base.

The use of output monitoring will have to be filed separately from the outputs as there are several uses that incorporate various outputs.

As in the respective impact chains for each of the indicator specific outputs have been defined and the indicators have been grouped (with some outputs being related to several indicators), it is simple to measure and report the progress on the respective outputs. The implementation of the monitoring routines that have been designed with partner institutions will provide the required information to measure the indicators themselves. The results of this monitoring might lead to adjustments in output planning.

### **3.7 Monitoring of Framework Conditions**

The framework conditions are explicitly monitored in the use of outputs and indicator monitoring procedures.

In the monitoring of the use of outputs the framework conditions will be analysed periodically with respect to the hypotheses and assumptions made in the respective impact chains.

Here the involved actors will have to make statements that explain the accomplishment of results and possible deviations from planning. Through the provision of –relatively- objective data from previous monitoring steps and data collection for indicator monitoring it will be possible to get a mutual understanding of project progress and as well achieve an approximated evaluation of the political, economic and social context conditions.

## **4 RELATION WITH OTHER GTZ M&E TOOLS**

### **4.1 Regular project reporting to GTZ/BMZ**

The reporting to GTZ and BMZ according to the recent guidelines (Handreichung) shall be focussed on the measurement of indicators and the achievement of important milestones.

The developed monitoring system gives information on the accomplishment of the project indicators on a yearly/half-yearly basis. The indicator monitoring routines use mainly data that is generated by government institutions. The results of these routines will give an easy overview over the respective progress on indicator achievement.

The milestones mentioned in the GTZ guidelines are in the case of results-based monitoring the generated outputs and the use of the respective outputs by the partner institutions and/or other ODA-projects in and outside the project area. As the outputs and the respective uses have been agreed and monitoring routines have been developed accordingly, the monitoring system also eases their presentation towards GTZ and BMZ.

### **4.2 Mid-term reviews**

The monitoring system is based on the creation of clusters of indicators according to the three project components, where the indicators are interrelated as part of the impact chain. By this, with a reduced number of clearly defined outputs the six phase- and six project indicators are addressed. The monitoring system is structured according to outputs – with the respective activities and uses – which are clearly related to clusters of indicators. Thus, the contribution of project activities to the achievement of the indicators is systematically documented and can be easily reviewed by the review mission.

Additionally, the developed reporting format of indicator achievement will give to the review mission an easy overview of the project progress.

### **4.3 E-Val**

E-Val is a qualitative computer-based interview procedure, which is based on complex non-linear, multivariate non-scaled algorithms, which allow a quantitative interpretation of qualitative data. By interviewing multiple stakeholders from project staff, project partner and target groups in non-directive interviews this method can provide an approximation to an objective project assessment in a complex project context.

Thus, E-val can contribute complementary information to impact monitoring and project mid-term reviews. Nevertheless, as a management instrument

on project level its use is rather limited, especially taking into account the high costs involved in the interviews and processing of data.

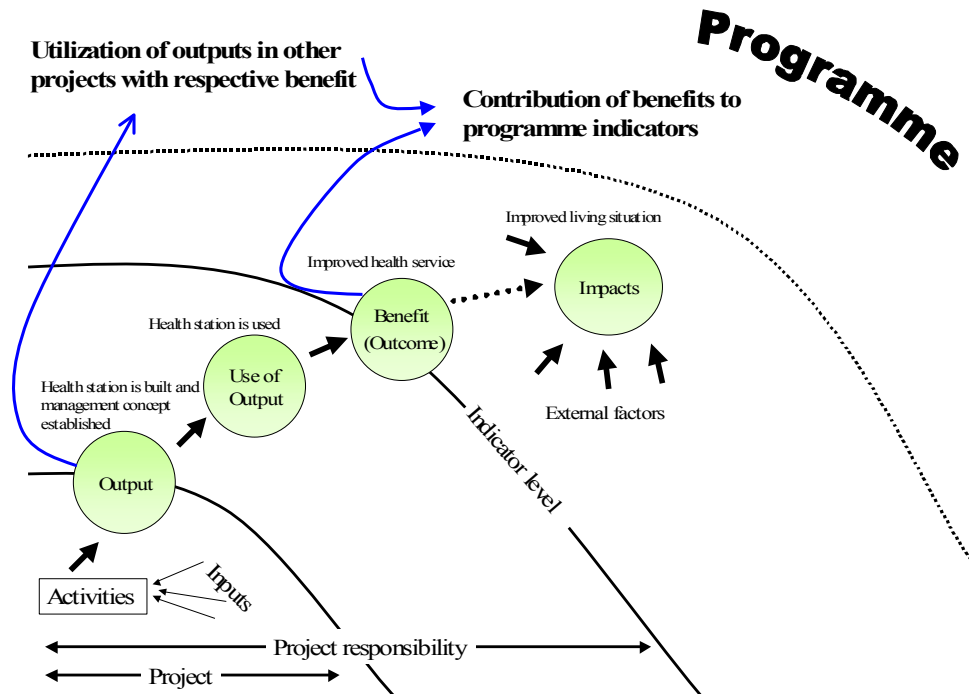
Consequently, as also clearly stated in the respective documents, e-val cannot replace continuous project monitoring and review missions.

Nevertheless, as the project monitoring system is implemented by “insiders” and as even the indicator measurement to some extent is mainly generated from data produced inside the government, e-val can be applied as a complementary monitoring and evaluation tool, which views project progress and achievements from another point of view.

It is very important to note that e-val could only be used as an additional project monitoring and management tool, if the project team leader gets unlimited access to the evaluation results.

#### 4.4 Impact assessment of the country programme of GTZ-Vietnam

For the contribution of project outputs and outcomes to the achievement of programme indicators the same logic as in the concept for project impact can be applied. There are two possibilities: In one case the use of project outputs by other projects in the programme has to be monitored with its respective benefits and contribution of to programme indicators.



**Illustration 11: Interrelation of project monitoring and programme monitoring**

The other option is the quantification of the contribution of project benefits to programme indicators.

Both options could be used simultaneously, depending on the design of the programme.

The first case represents a rather integrated programme approach, where projects in terms of their working plans and concepts are closely interrelated. The second option will always be applicable, provided there are logic links between the outcomes of the project and the programme indicators that can be operationalized and to some extent quantified.



## **5 RECOMMENDATIONS ON THE EXISTING DATA BASE**

As part of the impact monitoring system for phase one the following monitoring procedures together with the respective database have been developed:

- Household Survey (HHS-Questionnaire)
- Village Institutional Survey (VIS-Questionnaire)
- Commune Institutional Survey (CIS-Questionnaire)
- District Institutional Survey (DIS-Questionnaire)
- Institutional Changes Survey (ICS-Questionnaire)

This information is not necessary anymore for the purpose of results-based monitoring of phase two, for which the presented simplified systems has been developed.

For the completion of the data base a back-up of all existing files has to be made, and the reporting sheets of the final results have to be prepared by the national consultant formerly responsible for this procedure.

The training monitoring that has been introduced in the last phase, still is deemed an important tool for documenting project activities and reach. This system can be simplified accordingly, so that the data can be managed by the responsible national expert on an Excel sheet. It is proposed that the existing registration sheet for the trainings is adjusted in the following way:

1. Add one column to mark, if the participants belong to an EM.
2. Add one line at the end of the sheets where the participants can be summed according to sex, institution type, administrative level and affiliation to EM.

The respective sums, together with general data of the training course, will be put into an Excel sheet, that can be prepared by a national consultant.

The registration lists will be filed only physically.

## **6 FOLLOW-UP AND RECOMMENDATIONS**

A new monitoring system has been developed, which integrates monitoring in project management and at the same time defines the development and application of respective monitoring routines as project outputs.

The design of the system has the advantage that no additional costs to the projects are implied with its application.

Still it has to be emphasized that the application of this new approach by project staff and partner institutions involves learning costs. The interviews and meetings with project staff and partner institutions have shown that there is high interest in learning and applying new monitoring approaches, but at the same time evidenced that the comprehension of this kind of systems with all its implications is still lacking. Thus, the application of the developed monitoring system has to be interpreted as organization learning and organizational development. This in turn can support the overall achievement of the indicators and improve project performance.

For this reason it is recommended that the project dedicates for the next months a special time budget to the application of the monitoring routines and the application of the output, use of output and activity monitoring formats and procedures.

As mentioned before, the defined outputs and uses of outputs are in line with the operational plan. Still, some minor adjustments in terms of the hierarchical order of some activities have been agreed with the project staff and management<sup>1</sup>. Moreover, as the wording has been changed from “field of activities” to “outputs”, the development of the necessary related activities as well might have changed. This should be reviewed respectively, when the respective planning and monitoring sheets are prepared.

As following steps for each of the outputs have to be named responsible project staff, who will take over the planning and monitoring of the respective outputs and related activity planning and monitoring.

Secondly, the scheduled activities according to the operational plan and annual plan have to be put into the monitoring sheets. This can be prepared by project staff and then discussed with involved actors.

Accordingly, the activity planning and monitoring has to be initialised by the respective output responsible.

It is also proposed to prepare an Excel sheet where the most relevant data of the monitoring results of all indicators is compiled. This can also be done by a national consultant.

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<sup>1</sup> These adjustments have been marked in the respective impact chains.