MONITORING, EVALUATION POLICY AND PROCEDURES

INTRODUCTION

1. This document provides detailed information about Monitoring and Evaluation (M&E) and is intended to provide assistance to achieve the objective, develop policy and procedures for NAPHDA housing projects. The purpose is to formulate a good understanding and reliable practices of M&E for projects under execution and developments. The document focuses on the key components M&E system that allows NAPHDA to develop and strengthen M&E policies and procedures. This document covers three aspects of M&E which are: -

a. Theoretical aspects
b. Monitoring and Evaluation Policy
c. Standard procedures and methodology

2. Theoretical aspects of M&E systems are designed to help develop an understanding of essential concepts. This will cover project progress of its stated objectives, and finally procedures for collecting and analyzing information. M&E policy is designed to provide guiding principles for "NAPHDA" in setting up and implementing M&E systems. Practical application of M&E system at the NAPHDA will be consisting of standard procedures and information for monitoring the progress, timelines and responsibilities.

3. Organogram of PMUs which will be located at regional offices (ROs) for the projects undertaken by NAPHDA and through Public-Private Partnership (PPP) mode but will function under Monitoring Branch, is place at **Annex 'A'**.

MONITORING

4. Monitoring is a periodically recurring task already beginning in the planning stage of a project. Monitoring results, processes and experiences are used as a basis to guide decision-making. Monitoring is about checking progress against plans. The data acquired through monitoring is used for evaluation.

5. Monitoring is the systematic and routine collection of information from projects under execution for four main purposes: -

a. **To learn from experiences** to improve practices and activities in the future.

b. To have **internal and external accountability of the resources** used and the results obtained.

c. To take **informed decisions on the future of the project** under execution.

d. To **promote empowerment of beneficiaries** of the projects under execution.

6. Monitoring focuses on the measurement of the following aspects of an intervention: -

a. On quantity and quality of the implemented activities.

b. On processes inherent to a project under execution.

c. On processes external to an intervention on the projects under execution.

EVALUATION

7. Evaluation is assessing, as methodically and objectively as possible, a completed project or a phase of an ongoing project. Evaluation assesses data and information to reach at the strategic decisions in order to improve the project in the future. During an evaluation, information from previous monitoring processes is used to understand the ways in which the project developed and stimulated changes. Evaluation should help to draw conclusions about five main aspects of the intervention: -

a. Relevance

b. Effectiveness

c. Efficiency

d. Impact

e. Sustainability

8. Information gathered in relation to these aspects during the monitoring process provides the basis for the evaluative analysis. The evaluation process is an analysis or interpretation of the collected data which looks deeper into the

relationships between the results of the project, the effects produced by the project and the overall impact of the project.

9. **Importance of M&E**. M&E is important because: -

a. Monitoring is the only consolidated source of information showcasing project progress.

b. Monitoring generates written reports that contribute to transparency and accountability, and allows for lessons to be shared more easily.

c. Monitoring reveals mistakes and offers paths for learning and improvements.

d. Monitoring provides a basis for questioning and testing of the materials used.

e. Evaluation provides means for seeking to learn from their experiences and to incorporate them into policy and practice for future implementations.

f. Evaluation provides a way to assess the crucial link between implementers and beneficiaries on the ground and decision-makers.

g. Evaluation adds to the retention and development of institutional memory.

10. **M&E staff and capacity building (PMUs)**. Establishing PMUs at ROs is a special concern for M&E work because it demands special training and a combination of research and project management skills. Also, the effectiveness of M&E work often relies on assistance from staff place in the field. Thus, capacity building is a critical aspect of implementing good M&E work.

11. **"NAPHDA"** is committed to ensure transparency, accountability and effectiveness in all its development efforts and projects under construction.

a. To ensure transparency, accountability and effectiveness "**NAPHDA"** requires its management to establish and strengthen M&E function.

b. **"NAPHDA"** endorses allocating necessary human and capital resources required for establishment and proper functioning of its M&E function.

c. **"NAPHDA"** firmly believes that our project management practices should be guided by definite M&E Principles. **"NAPHDA"** will require its management to adhere to these principles and these are: -

1) **Relevance**
   a) The projects have clearly identified their target beneficiaries.
   b) The projects are meeting the real needs of target beneficiaries.
   c) The projects ensure that the real needs are met in required magnitude.

2) **Effectiveness**
   a) The project results represent the most desirable changes in the lives of the target beneficiaries.
   b) The project outputs are significantly contributing towards the project purpose.

3) **Efficiency**
   a) The project inputs are organized and utilized efficiently to ensure best value for money.
   b) The project inputs are the best available resources to achieve the desired results.
   c) The project targets are achieved on planned timelines.

4) **Impact**
   a) The project is contributing towards the long-term goals
   b) The changes caused or influenced by the project sustain after the life of the projects.

5) **Sustainability**
   a) The target pursued by the project in policies, administrative structures, systems, processes and practices are institutionalized within respective entities.
   b) The project is not producing any changes (intentionally or un-intentionally), which are harmful for the target beneficiaries and the society at large.

6) **Learning and sharing**

a) The key learning points are recorded and used for programmatic decisions for adequate adjustments in the design and implementation of intended efforts.

b) The stakeholders especially beneficiaries are kept informed about relevant achievements, failures, changes and decisions.

7) **Accountability**

a) A feedback / complaint system is established after the project is completed and handed over to the user.

b) Responsibilities of stakeholders and staff are clearly identified in ways that cater for the conflict of interest between implementation and monitoring roles.

c) Reporting mechanisms are clearly established specifying the timelines and nature of required information.

d) All programmatic decisions / approvals are recorded adequately.

12. **"NAPHDA"** believes that achieving results is the central thrust of our development efforts. "**NAPHDA"** hence requires its M&E function to ensure continuous information gathering, assessment, analysis, learning and reporting around results.

13. **"NAPHDA"** has constituted a M&E Branch. The branch will be custodian of **"NAPHDA's" Monitoring and Evaluation** function.

STANDARD PROCEDURES AND METHODOLOGY

14. **"NAPHDA"** M&E system strives to attain procedures, which ensure effectiveness, transparency and accountability in to the management practices at various stages of project life cycle. Tentative timelines and responsibilities to perform M&E by the designated staff and procedures are also proposed which may be appropriately needed.

POLICY PARAMETERS

15. NAPHDA is working for provision of low-cost housing units (LCUs) to the general public as per the vision of the Prime Minister. Monitoring policy parameters are derived from other policies issued from time to time by Project, Finance and Members Management Branches of NAPHDA. The projects are characterized into following types and will be monitored being undertaken by various agencies: -

a. Projects by Development Authorities (DAs).
b. Projects by Provincial Governments in Peri Urban Areas.
c. Projects by Private Parties under Public-Private Partnership Agreements.

MECHANISM FOR MONITORING CONSTRUCTION OF LCUS UNDER NAPHDA

16. **Projects by Development Authorities**

a. The DAs will plan the projects in consultation with Project Branch of NAPHDA. On finalization, Project Branch will provide all the details including drawings / designs, execution plan and timeline to Monitoring Branch.
b. Work schedule will be obtained by ROs from the DA before the start of the work and submitted to Monitoring Branch.
c. Progress of the approved projects will be centrally monitored by Monitoring Branch and the progress report along with details as per the approved format (**Annex B**) will be submitted on fortnightly basis for information of the Chairman.
d. Works will be monitored as per approved drawings and specifications, of the contract agreement. Quality of the project will be ensured by the DA

through their consultant. An effective supervision mechanism will be devised by the sponsoring bank through their deputed consultants.

e. Inspections will be done as per the stages of construction defined in the contract agreement with the DA after vetting by the consultant.

f. A "Milestone Achievement Certificate" will be issued on processing of claim by the DA's consultant on achievement of requisite milestone for the release of cost subsidy from project escrow account to the DA's account.

g. Report of utilization / disbursement of cost subsidy from Escrow Account will be obtained as per Form 1E (**Annex C**) from the sponsor bank. Request for subsequent release of the cost subsidy will only be made after full utilization of the already released amount.

17. **Projects by Provincial Governments in Peri Urban Areas**. Peri urban project are being executed by provincial Governments through approved contractors on agreements made directly by the provincial governments: -

a. Provincial Governments will plan the projects in consultation with Project Branch of NAPHDA. On finalization, Project Branch will provide all the details including drawings / designs, execution plan and timeline to Monitoring Branch.

b. Work schedule will be obtained by ROs from the sponsor agency and submit to Monitoring Branch for record / coordination.

c. The approved projects will be monitored by the consultant / sponsor agency regarding its quality, timelines and financing. Monitoring Branch will obtain progress report on fortnightly basis as per the approved format (**Annex B**) and process for the information of the Chairman NAPHDA.

d. The quality and progress of the work will be monitored and ensured by the sponsor of the project and the consultant appointed by the bank.

e. A "Milestone Achievement Certificate" will be issued on processing of claim by the DA's consultant on achievement of requisite milestone for the release of cost subsidy from escrow account to the sponsoring agency's account.

f. Report of utilization / disbursement of cost subsidy from Escrow Account will be obtained as per Form 1E (**Annex C**) from the sponsor bank. Request for subsequent release of the cost subsidy will only be made after full utilization of the already released amount

18. **Private Public Partnership**. As per the project selection and execution criteria approved: -

a. After evaluation and approval of the project by the Lead Bank, the private party shall sign an agreement with NAPHDA for the provision of low-cost housing units (the "Agreement"). This agreement will be communicated to the Monitoring Branch. A supervision consultant (the "Consultant") shall be selected in the manner determined by NAPHDA's Policy Board. The cost of the consultancy shall be included in the overall project cost.

b. Construction plan will be submitted at the start of work as per the agreement with the Project Branch of NAPHDA by the private party executing the project. Work will be implemented as per the approved drawings and specifications. A set of the approved drawings will be provided to Monitoring Branch as well.

c. Progress review meetings shall be held at site office on fortnightly basis for the project between PMU of Monitoring Branch at RO and the Consultant. Fortnightly and monthly visits will also be carried out by the team from the Monitoring Branch.

d. The payments will be processed and released from the Escrow Account as per the Contract Agreement and instructions by the Finance Branch of NAPHDA.

e. Monitoring Branch shall verify the assessment carried out by consultant, issue Milestone Achievement Certificates and Authority Letters for the claims of the private party executing the project to the Lead Bank, as appropriate, for payment to the Private Party after a proper technical / ground check as per the contract agreement.

f. Quality of the work will be ensured by the consultant through effective supervision mechanism. Monitoring team of NAPHDA will also visit the sites on required basis and will submit report accordingly.

g. Check list for selection of materials as per the specifications mentioned on the drawings to ensure that the cost of the housing unit is within the prescribed budget limits and at the same time the quality of the construction is not compromised.

h. All records of test results performed for materials will be available at site for visiting team of the Monitoring Branch. Every test report shall be duly verified by the consultant.

i. Fortnightly progress reports shall be submitted to Monitoring Branch for the information of the Chairman, NAPHDA.

j. Establishment of site offices, field laboratory and transport by the Private Party shall be ensured for proper functioning.

19. Project monitoring process is expected to lead to learning. It is therefore, to be transparent and consists of sharing of the information up and down.

Annex A

REGIONAL OFFICES

Executive Director Monitoring (BS-20)
NAPHDA HQ

Joint/ Deputy Executive Director
Monitoring and Development
(RO Office)

Project Management Units (One/ site from Project Contingency - 16)
2 x XENs – BPS 18
1 x Crises Manager – BPS 18
3 x A/XENs – BPS 17
1 x Safety Engr – BPS 17
1 x Town Planner – BPS 17
1 x Architect – BPS 17
1 x AE – BPS 16
6 x Sub Engr (Elec, Water Supply/Gas & Civil) BPS-14

Annex B

PROGRESS REPORT – ________________________

(____ Half of March 2022)

1. **Construction Details as per EOI**

a.	No of apartments to be constructed	-	_______	b.	Cost of 1x Apartment	-	_______________
c.	Under construction	-	_______	d.	Work Execution Date	-	_______________
e.	No of Blocks	-	_______	f.	Work Completion Date	-	_______________
g.	Covered Area include circulation	-	_______	h.	Overall Progress of the Project	-	________
i.	Executing Agency	-	_______				

2. **Progress Details**

Project Description	Work Completed up to	Work in Progress	%Progress	
			Previous (Date ___)	Current (Date ___)

NAYA PAKISTAN HOUSING AND DEVELOPMENT AUTHORITY

Annex C

FORM-1E

Reference #____________/____________/---   dated ____/____/202__

From: ____________,
The Bank ________,
________.

To: **Chairman,**
Naya Pakistan Housing and Development Authority (NAPHDA),
Government of Pakistan
Islamabad.

Subject: UTILIZATION / DISBURSEMNT OF COST SUBSDIY FROM ESCROW ACCOUNT NO: ________

This is to confirm that an amount of Rs. ____________ **(Rupees ____________ million only)** was received in the Escrow Account ____________ on account of Cost Subsidy on behalf of ____ eligible borrowers / allottees of *[project name and location]*, vide Accountant General of Pakistan Revenues Authority (AGPR), Islamabad Authority [bearing No. ____________________________ through State Bank of Pakistan.

2. This is to certify that the Cost Subsidy has been disbursed to *(concerned development entity, location)*, against the **Drawdown Application** bearing No. __________ dated__________ [copy attached], as under:

Amount credited in Escrow Account	Amount Disbursed	Date(s) of Disbursement(s)	Balance (*as on*______)
PKR __________	PKR__________	____/____/____	PKR__________

(authorized signature)
Bank ____________

OFFICE SEAL

VERIFICATION BY (*concerned development entity*):		
	Authorized Officer, *(concerned development entity)*	Signature and Office Seal