

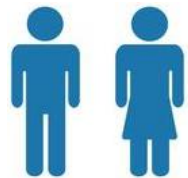
Mid-term Evaluation of Sustainable Enterprise Project (SEP)

EXECUTIVE SUMMARY

Palli Karma-Sahayak Foundation, with the support of Government of Bangladesh and the World Bank, has been implementing 'Sustainable Enterprise Project (SEP)' since April 2018. The main objective of the project is to support microenterprise sector with a view to increasing the adoption of environmentally sustainable practices (ESPs) without jeopardizing the profitability by 40,000 targeted microenterprises. The project has already passed half of the project period. To assess the intermediate impact of the SEP, PKSF hired a consultancy firm to conduct mid-term evaluation. The survey was conducted during April-May 2021 using a mixed method approach.

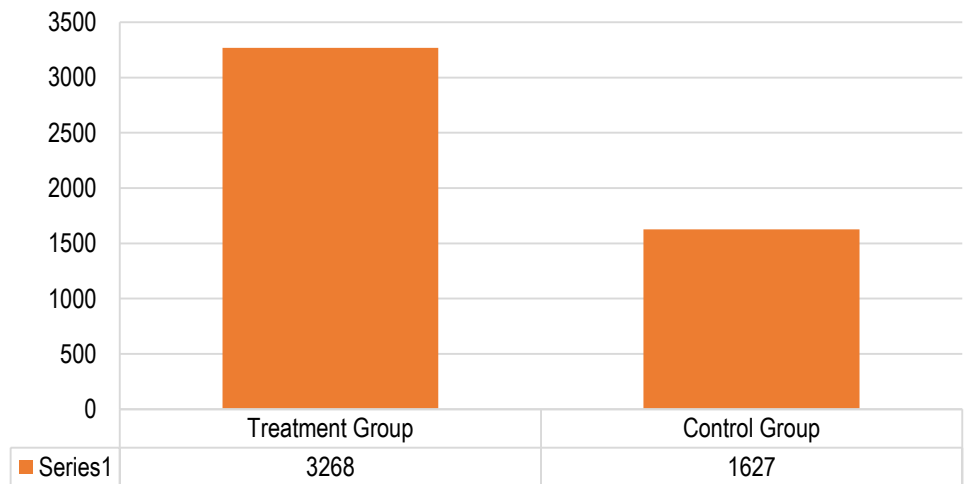
The preliminary report shows that 80.14% targeted microenterprises adopted at least one ESP out of 20. It is also found that 55.38% targeted microenterprises (57.33% of them owned by women) rated 'satisfactory' and above on project interventions. Among the MEs who adopted the ESPs (80.14%), nearly 70% MEs (71.09% of them owned by women) adopted ESPs for over 12 months and 78.58% MEs were willing to continue ESP in future.

Further, the mid-term evaluation found that cluster-based common services for microenterprises are very effective despite communities are not familiar with the services as the facilities are relatively new to them. Until now, almost 8% targeted MEs have access to common service facilities. The report also shows 41% MEs (39.99% of them owned by women) of the treatment group have received awareness training. Of total surveyed MEs, 39% demanded skill development training on management, machine operation and safety, quality control of the product, marketing, and waste management. Additionally, 91% MEs (83% of them owned by women) confirmed with signing loan agreements under the project.



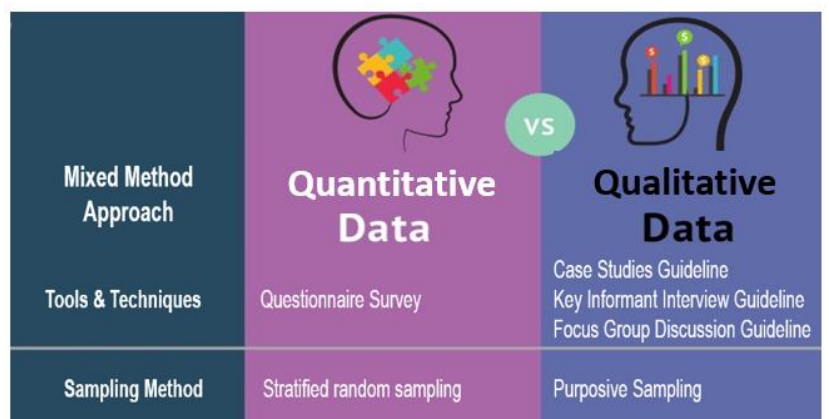
4895
RESPONDENTS
of which
73%
OWNED BY
WOMEN

SURVEYED SAMPLE SIZE



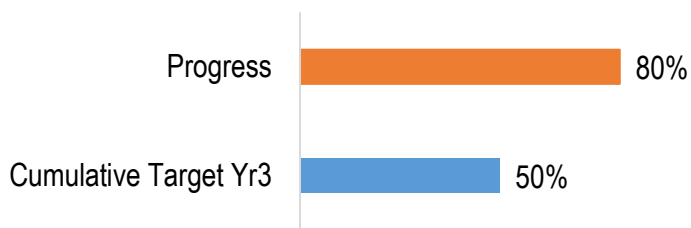
Coverage

- **8 sub-sectors** of manufacturing and agri-business
- Across **27 districts**

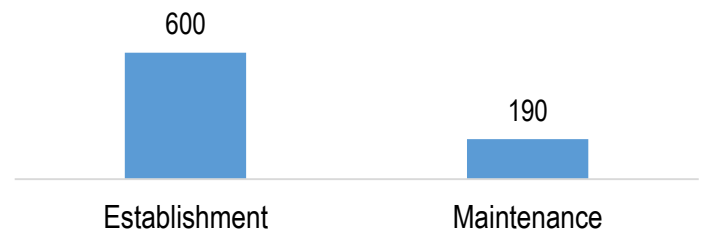


Key Findings: Project Development Objective (PDO)-1

PDO-1: Target vs Progress of adoption of at least one ESP



Average costing of adoption of ESP (BDT)

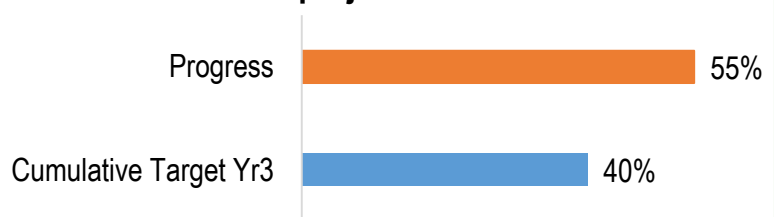


More than three-fourth, **80.14% (81.11% of them owned by women)** of the MEs adopted at least one ESP which is much higher than cumulative target of year 3 (**50% of 20000 MEs**). The average number of adoption is 3.25.

Key Findings: Project Development Objective (PDO)-2

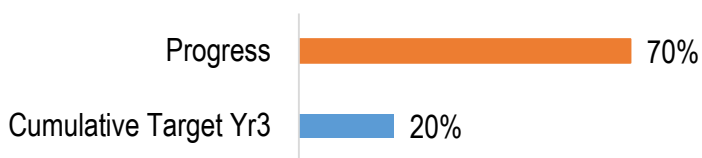
More than half, **55.38% (57.33% of them owned by women)** of the MEs rated 'satisfactory' or above on project interventions which is higher than the cumulative target of year 3 (**40%**).

PDO-2: Target vs Progress of beneficiaries with rating 'satisfactory' or above on project interventions

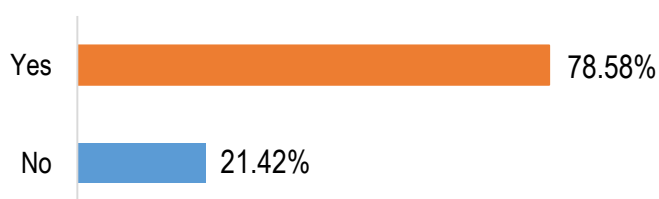


Key Findings: Project Development Objective (PDO)-3

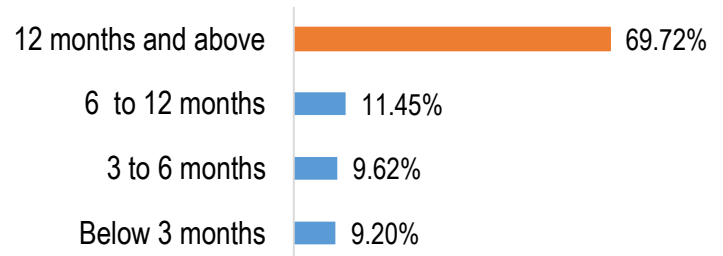
PDO-3: Target vs Progress of Continuation of adopted ESP



Willingness to continue adopting ESP



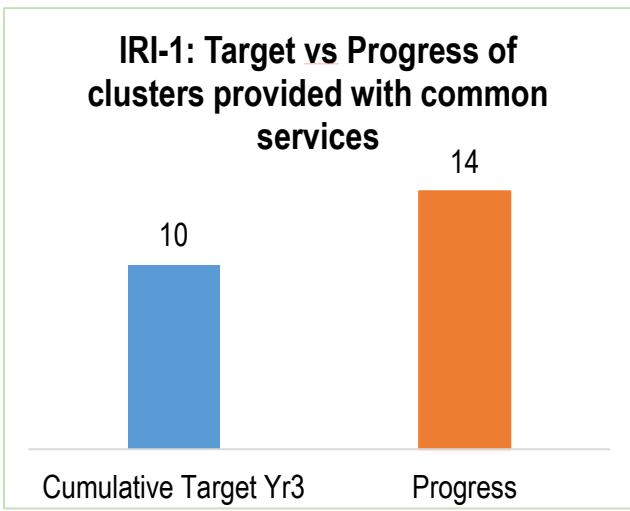
Continuation of adopted ESP



Almost **69.72% MEs (71.09% of them owned by women)** adopted ESP for over 12 months which is much higher than the cumulative target of year 3 (**20%**) and almost **79% MEs** were willing to continue the adoption of ESP in future.

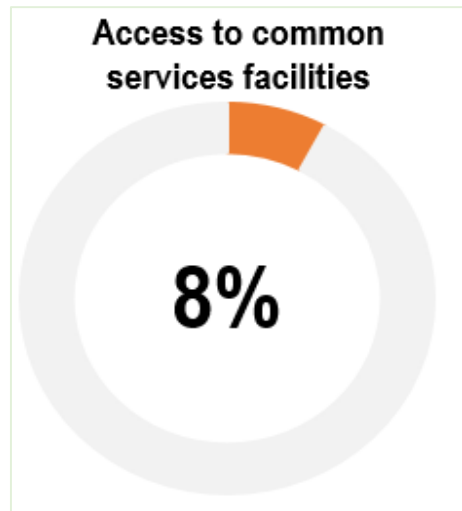


Key Findings: Intermediary Results Indicator (IRI)-1

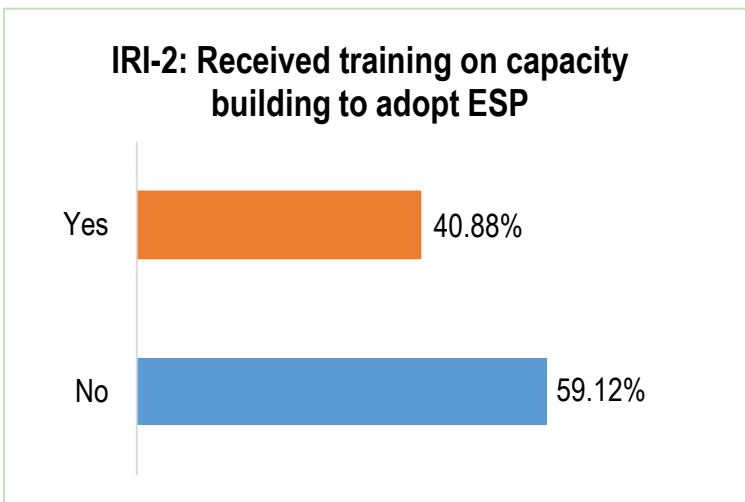


14 microenterprise clusters were provided with common service facilities which is higher than the cumulative target **(10)** of year 3.

Almost **8%** MEs reported having access to any common service facilities of SEP.



Key Findings: Intermediary Results Indicator (IRI)-2



Only **41% MEs (39.99% of them owned by women)** have received awareness training, which is higher than the cumulative target of year 3 **(30%)**.

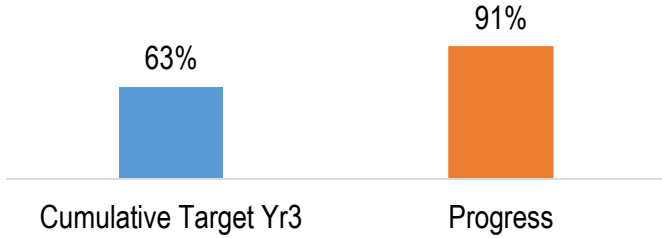
Nearly, **39% MEs (40.62% of them owned by women)** required skill development training; of them, training on management, machine operation and safety, quality control of the product, marketing of the product and waste management are preferred.



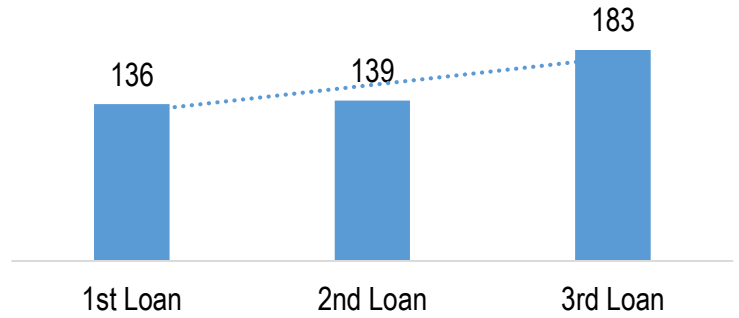
*Multiple responses

Key Findings: Intermediary Results Indicator (IRI)-3

IRI-3: Target vs Progress of MEs signed loan agreements with POs under the project



Year-wise average loan size ('000 BDT)



Loanee by gender (%)



91% MEs (83% of them owned by women) have signed loan agreements with POs under the project which is much higher than the cumulative target of year 3 (63%).

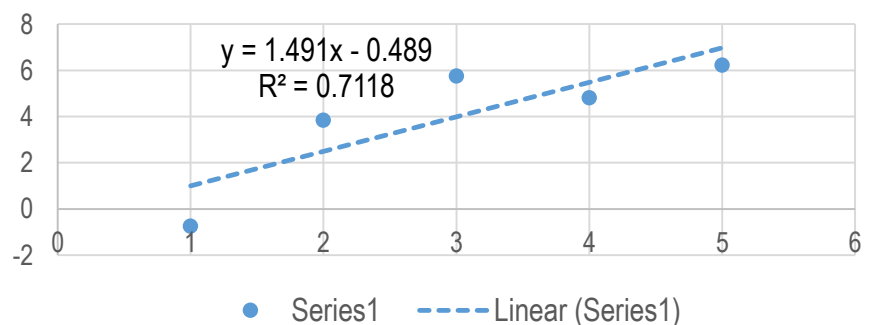
Key Findings: Regression results of adopting ESP

Variables	Adoption of at least on ESP (Yes, No)		Duration of adoption ESP (Months)		Willingness to continue ESP (Yes, No)	
	Odds Ratio	P-value	Coeff.	P-value	Odds Ratio	P-value
Annual Household (HH) income						
<1 lac	Ref				Ref	
1-2 lac	0.88	0.22	-0.74	0.49	0.89	0.42
2-3 lac	1.66	0.00	3.85	0.00	0.68	0.01
3-4 lac	2.08	0.00	5.76	0.00	0.68	0.01
4-5 lac	2.61	0.00	4.82	0.00	0.80	0.22
5+ lac	2.82	0.00	6.23	0.00	1.07	0.62

Significant positive association of annual household income of MEs to the adoption of at least one ESP and their willingness to continue.

- Increased income is an inspiration to ESP adoption
- It also motivates them to continue

Continuation of adopted ESP (Months)



Policy Implications



Adoption of environmentally sustainable practices by other projects and programs of Partner Organizations



Adoption of environmental management framework (EMF) by another project of PKSF



Replication of environmental practices by non-treatment ME owners: MEs in the adjacent project areas are implementing environmentally sustainable practices following MEs of SEP



Already developed a poll of trained human resources as change agent to disseminate the environmental knowledge at the grassroots



Local administration acknowledge SEP's environmental initiatives and support relevant stakeholders to implement



Approx. 180 environment club formed by the implementing POs to disseminate environment-friendly good practices among the project participants, other ME owners, local elites etc.

Key Recommendations

1. Adoption of ESPs by the microenterprises deemed as **innovative and unique** for Bangladesh as well as for the world. Project like this has to be promoted and replicated for future sustainable business growth.
2. To **ensure long-term behavioral change among the microenterprises**, there is a need of behavior-change interventions. Therefore, it is suggested to extend the project up to two years for effective and smooth execution of it.
3. Support to MEs in terms of **cash or materials/devices or incentives for compliance** of environmental practices may accelerate the execution.
4. **Developing and introducing low-cost technology-based support/plants** for cleaning and managing liquid waste (dye, chemicals, acids, etc.) for saving underground water, water bodies, and so on.
5. **A special risk fund titled 'COVID-19 revival fund'** needs to be initiated to mitigate the sufferings of MEs' business activities due to the impact of the pandemic.