

CUTS CSR Impact Assessment

As per the new laws mandated by MCA

Context and Problematique

As CSR laws evolve, the intent is shifting towards making a real and sustainable change in the community. Impact Assessment is typically performed for projects sponsored by CSR departments and foundations. It is focused on evaluating the impact on the community due to various initiatives undertaken by them by either hiring an external agency or performing Impact Assessments on their own. In 2021, the CSR law in India made it mandatory to conduct independent Impact Assessments for CSR projects for companies having a CSR amount of Rs. 10 crore and above.

The move will further improve the ease of doing business and the quality of CSR projects while enhancing disclosures and transparency. The organisations have taken the new rule well, as it will also help bring out the best and the most effective CSR practices in the ecosystem for a better and sustainable future.

For 40 years, CUTS¹ people of action have used their passion, energy, and intelligence to act on sustainable projects. We are constantly working to better our world and stay committed to the end. Having very sound experience in Impact Assessment (*details appended below*), CUTS international propose to conduct the CSR Impact Assessment for organisations under the new guidelines.

CUTS Principles of Impact Assessment

CUTS International will follow seven broad principles of Impact Assessment

- Principle 1:** Achieve an extensive understanding of local and regional populations and settings affected by the action, programme or policy.
- Principle 2:** Focus on the key elements of the human environment related to the baseline assessment in terms of action, programme or policy.
- Principle 3:** The Impact Assessment is based on sound and replicable scientific research concepts and methods.
- Principle 4:** Assess the quality of information available during decision-making. The ‘good science’ ethic requires the collection of quality data representative of all issues and perspectives and clearly-presented, holistic and transparent analyses of information and alternatives.

¹ <https://cuts-international.org/>

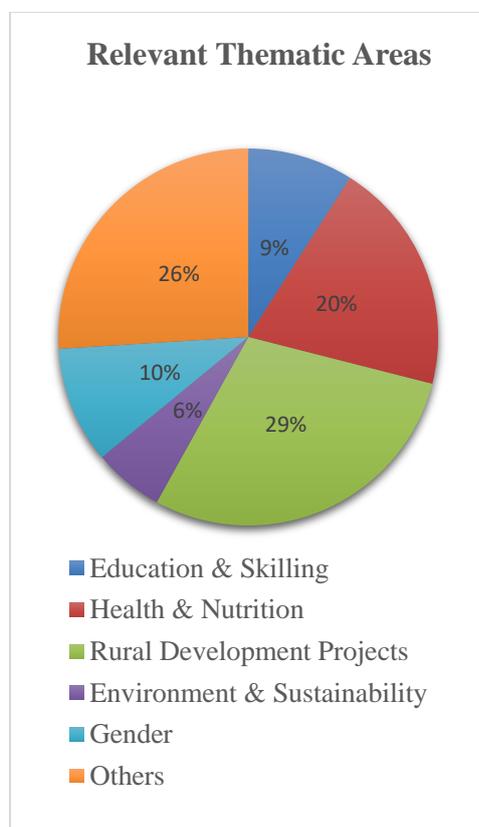
Principle 5: To identify the disadvantaged, at-risk, and minority/vulnerable populations (for instance, by race, national origin, gender, disability, and religion) affected by the corporate action, programme, or policy and incorporate information about these populations into the Social Impact Assessment descriptions and analyses.

Principle 6: Undertake project, programme, or policy evaluation and assessment, and propose upgradation measures, if needed. Research design and databases established for assessing impacts will provide the basis for evaluating and assessing the project's actual impacts.

Principle 7: Guided dissemination of the projects, evaluation and assessment report. Through its large network in national and international regions using several methodologies, CUTS could disseminate the findings if required by the organisation to present the best-case scenario for the sector ecosystem. This could be done through an extensive network that CUTS has built over the past 40 years. It includes eminent individuals and organisations within and across borders.

Relevant Thematic Areas of Expertise

Following are the thematic areas that CUTS has garnered expertise in, among others:



CUTS Experience under Impact Assessment

CUTS, for its project, deploys a unique internally developed methodology that has a universal approach of evidence-based *Research leading to Advocacy, Networking and Capacity building* (RANC model) that contributes to making innovative interventions. Each of the RANC methodology components is inextricably linked to the other, wherein outputs of one component are used as inputs for the next. The organisation's functions deeply resonate with this step-by-step procedure. The data collected is analysed in line with the hypothesis to be tested and the project's objectives. Following are the details of some of these relevant studies undertaken by CUTS:

| S.No | Study | Government Depts. & Institutes | Completion Year | Description |
|---------------------------------|--|--|--------------------------|--|
| Social Impact Assessment | | | | |
| 1. | Institutional and Legislative Assessment of Road Safety in India  | World Health Organisation | 2017 | <p>The study assessed the state of the Institutional Framework of Road Safety in India. It aimed to identify the institutions, structure and decision-making processes regarding safety. The assessment was done in Rajasthan, Tamil Nadu, Telangana and West Bengal, and two Union Territories (Delhi and Pondicherry).</p> <p>A similar study on legislative gap analysis of Road Safety was conducted in West Bengal, Rajasthan, and Kerala</p> |
| 2. | Strengthen Consumer Safety in India: An Assessment | Ministry of Food and Consumer Affairs, Government of India | August 2015- August 2016 | Comprehensive research on consumer safety in the states (<i>Assam, West Bengal, Madhya Pradesh, Uttar Pradesh, Rajasthan, and Tamil Nadu</i>) was conducted to find ground realities and to advocate |

| S.No | Study | Government Depts. & Institutes | Completion Year | Description |
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| |  | | | and empower relevant stakeholders and on consumer safety issues. |
| 3. | <p>Status of Law Enforcement for Misleading Advertisements in India and its Impact on Consumers</p>  | German Development Corporation, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) | 2012 | <p>The study established an effective system to deal with the complicated menace of misleading advertisements. It proposed a three-pronged strategy to control misleading advertisements.</p> <p>The assessment was conducted on consumer perception regarding physical safety, economic interest, standards, essential goods and services, redress, education and information, and health.</p> |
| 4. | <p>Developing a culture of good governance and accountability in the state of Rajasthan, India, through involving CSOs and building their capacity with a focus on improving the public expenditure outcomes in NREGS</p>  | Affiliated Network of Social Accountability – South Asia Region (ANSA SAR) | 2010-2012 | Contributing towards developing a culture of good governance and accountability in the state of Rajasthan, India, through involving civil society organisations (CSOs) and building their capacity with a focus on improving the public expenditure outcomes, to begin with, National Rural Employment Guarantee Scheme (NREGS) and trying to institutionalise it, to be |

| S.No | Study | Government Depts. & Institutes | Completion Year | Description |
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| | | | | adopted for assessing the various schemes. |
| 5. | <p>Ensuring Service Delivery through measuring the rate of absenteeism in 30 Health Centres in Rajasthan</p>  | Results 4 Development, Washington DC | 2009-2010 | Improving access to health service delivery, development of a community-based monitoring model in the select health facilities, and improving transparency/accountability and policy reforms in the health sector in Rajasthan |
| 6. | <p>Assessing 2Qs (Quality and Quantity) for Mid-Day Meal Scheme (MDMS) & National Rural Employment Guarantee Scheme (NREGS)</p>  | World Bank | 2005-2006 | <p>It was a pilot study to evaluate the MDMS implementation in the Chittorgarh district and the NREGS in the Sirohi district of Rajasthan.</p> <p>It developed and tested a methodology that could provide regular user feedback to service providers, which would be useful in better implementing the MDMS in the states.</p> |
| Regulatory Impact Assessment (RIA) | | | | |
| 7. | <p>Perception of Public Procurement in Rajasthan – An Assessment</p>  | Finance (EAD) Department, Government of Rajasthan | 2021 | <p>The study has been conducted under the World Bank-assisted Project “Strengthening Public Financial Management” (SPFM) in Rajasthan.</p> <p>The study aimed to capture the perception of various stakeholders’</p> |

| S.No | Study | Government Depts. & Institutes | Completion Year | Description |
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| | | | | awareness about SPFC and also on some key indicators of sound public procurement systems and practices after the enactment of “The Rajasthan Transparency in Public Procurement” (RTPP). Based on a composite score of each of the five indicators, an overall score of the public procurement system in the State of Rajasthan was measured at the level 0 |
| 8. | <p>Cost Benefit Analysis of Rajasthan Shops and Commercial Establishments Act, 1958</p>  | World Bank | 2017 | <p>CUTS International undertook a Cost Benefit Analysis study on the Rajasthan Shops and Commercial Establishments Act 1958.</p> <p>The project tried to nudge the State Government of Rajasthan to introduce amendments to the Rajasthan Shops and Commercial Establishments Act, 1958, based on an effective assessment of the costs and benefits of the policy provisions on different stakeholders.</p> |
| 9. | Facilitating the Adoption of the Regulatory Impact Assessment (RIA) Framework in India | British High Commission, New Delhi | 2014-2016 | CUTS implemented a two-year project to undertake RIA selecting primary laws in the financial sector, followed by advocacy and capacity-building activities. |

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| |  | | | The project demonstrated the process and benefits of RIA by designing and implementing RIA on select existing laws, thereby advocating the adoption of the RIA framework by the central government and certain regulatory authorities in India. |
| 10. | Regulatory Impact Assessment in Indian Electricity Generation Sector (RIA)  | Asian Development Bank | 2014 | CUTS, with the support of the Asian Development Bank and the Indian Resident Mission, took up the initiative of assessing and scrutinising specific regulations (primary laws) that affect the genesis of the business of generation of electricity in viz., thermal, hydro and solar sub-sectors. |
| 11. | Highlighting the Economic Impact of Judicial Decisions (Judimpact)  | Niti Aayog | 2020-2022 | <p>Economic Impact Assessment - The study did an ex-post examination of the unintended economic consequences of key judicial/ quasi-judicial decisions and reviewed if the objective of the judicial decision was met.</p> <p>Five cases were selected to highlight the economic impact, of which three were decided by the SC and the other two by the NGT.</p> |

| S.No | Study | Government Depts. & Institutes | Completion Year | Description |
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| Community Development projects: understanding the grass root framework | | | | |
| 12. | Formation and Promotion of Farmer Producer Organisations (FPOs)  | Small Farmers' Agri-Business Consortium (SFAC), National Bank for Agriculture and Rural Development (NABARD), and National Cooperative Development Corporation (NCDC) | 2021- Ongoing | <p>As a Cluster Based Business Organisation (CBBO), CUTS has been entrusted with establishing 30 FPOs in the Banswara, Bharatpur, Bhilwara, Chittorgarh, and Pratapgarh districts of Rajasthan.</p> <p>At the end of this project, CUTS is expected to mobilise 50-60,000 farmers and facilitate the doubling of their income from agriculture and allied activities.</p> |
| 13. | Women Tailoring Training Programme at Chanderia, Chittorgarh District of Rajasthan  | Birla Cement Corporation | 2016-17 | <p>Tailoring training under income generating activity was organised in the CSR area of Birla cement works at Chanderia of Chittorgarh district.</p> <p>More than 45 women were trained in stitching and provided with tailoring machines. Now they have actively set up their enterprises of tailoring work.</p> |
| 14. | Priyadarshini Model SHGs project | Women's Commission, Department of Women and Child Development, Government of Rajasthan | 2015-16 | <p>This programme identified 10 Self-Help Groups and empowered the beneficiaries to address their political, legal, and health problem-related issues through rigorous capacity</p> |

| S.No | Study | Government Depts. & Institutes | Completion Year | Description |
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| |  | | | building. Activities viz. Scheme orientation training, managerial and leadership capacity building, entrepreneurship development and awareness training, etc were organised. |
| 15. | <u>Self-Help Groups: A Catalyst for Women's Empowerment</u>  | National Bank for Agriculture and Rural Development (NABARD) and Department of Women and Child Development (DWCD), Government of Rajasthan | 2015 | CUTS is one of the pioneers in promoting SHGs in the Chittorgarh and Bhilwara districts of Rajasthan. CUTS has worked with 1,037 SHGs, mainly women and a few male groups across nine blocks at Chittorgarh, Nimbahera, etc. districts of Rajasthan, representing a total membership of 12,478 rural poor women |
| 16. | <u>Disability is not Inability: Mainstreaming Persons with Disability</u>  | Sight savers | 2013 | It is a Community Based Rehabilitation (CBR) project implemented in 11 blocks of the Chittorgarh district, namely, Nimbahera and Chittorgarh. Major activities of this project were community awareness, facilitating the operation of cataract patients, education of visually impaired children, rehabilitation of visually impaired persons, strengthening the |

| S.No | Study | Government Depts. & Institutes | Completion Year | Description |
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| | | | | government system, establishing disabled person's organisations, providing spectacles to needy children and benefit of government schemes to all persons with disability etc. |
| Monitoring and Evaluation Assessment | | | | |
| 17. | Monitoring, Evaluation, and assessment Exercise of GAME's Ease of Doing Business Framework (EoDB)  | Global Alliance for Mass Entrepreneurship (GAME) | Ongoing | Under the project, monitoring and evaluation of the Global Alliance for Mass Entrepreneurship (GAME) Consortium's framework on EoDB for the Punjab government will be conducted through a detailed documentary review and stakeholder consultations. A synthesis report of the evaluation will be released, and the same will be presented to various stakeholders and institutions. |
| 18. | Sustainable Development Investment Portfolio Promoting water, food and energy security in South Asia (SDIP) – An assessment  | Australian Government's Department of Foreign Affairs and Trade (DFAT) | 2016 | CUTS was one of the portfolio partners of SDIP and has implemented the project to achieve increased water, food and energy security in South Asia to facilitate economic growth and improve livelihoods, targeting the poorest and most vulnerable, particularly women and girls. CUTS has performed internal monitoring and |

| S.No | Study | Government Depts. & Institutes | Completion Year | Description |
|------|--|---------------------------------|-----------------|---|
| | | | | evaluation exercises of the project through a detailed outputs review and stakeholder consultations. |
| 19. | Addressing Barriers to Rice Seeds Trade Between India and Bangladesh (RISTE) and assessing trade benefits  | Bill & Melinda Gates Foundation | | CUTS implemented the project to understand the factors and challenges (institutions, laws, policies, regulations and practices) that drive demand and flow (production, marketing and use) of HYV rice seeds. CUTS, under internal monitoring and evaluation exercise, conducted a 'time analysis' of the project. |

Methodology

The essence of social impact management lies in the belief that effective impact measurement is an ongoing process. It entails planning, management, and evaluation skills to examine the implication of strategies of the organisation against the quality of life of the community and socio-economic repercussions. The process entails managing social impacts throughout the project's life by considering the thought process, ideation and the value of the return. This process is understood by assessing the impact at the end of the project.

CUTS follows several approaches for its impact assessment; however, largely, the methodology is derived and based on a few international frameworks and goals, such as the [OECD framework](#) of Impact Assessment, SDG goals, etc. These frameworks are used as a baseline to develop project focus methodology and framework for assessment criteria. The focus, however, is largely on the projects' evaluation, replicability, scalability and sustainability.

The OECD framework has defined six evaluation criteria - *relevance, coherence, effectiveness, efficiency, impact and sustainability*. These criteria provide a normative

framework used to determine the merit or worth of an intervention (policy, strategy, programme, project or activity). They serve as the basis upon which evaluative judgements are made

| OECD evaluation criteria | Interpretation |
|--------------------------|--|
| Relevance | Has the intervention done the right thing? |
| Coherence | How well does the intervention fit? |
| Effectiveness | Has the intervention achieved its objectives |
| Efficiency | How well were the resources used? |
| Impact | What difference did the intervention make? |
| Sustainability | Will the benefits last? |

Upon onboarding, we review the project on the documentation available and get in touch with the concerned stakeholders. Upon detailed discussion, we design an assessment approach framework which will be customised on a project-to-project basis and run through the CSR department for their views. The approach will further involve interviews of beneficiaries, stakeholders, focus group discussions etc. The data collected through various discussions is collated, validated and analysed to assess the impact created by a CSR project.

There are multiple project-specific strategies we follow at CUTS for a curated Impact Assessment analysis and reporting. One of the very early stages also includes desk research to garner the nuances of the project and build a basic understanding among the team members.

Desk and field research: A detailed documentary review and comparison of before and after the adoption (or in the process of being adopted) of policies, implementation of the way projects etc., would be necessary to ascertain the extent to which the impact has been generated. Data and information, including official related documents, would be critical for this assessment. Also, literature and research on ‘problematique’ and ‘priority’ compliances will be reviewed.

Following are a few brief examples of the methodology used using the principles & criteria mentioned earlier:

Methodology 1: Following are the essentials of the **Impact Assessment Strategy**

- a. **Baseline/Assessment Study:** Needs assessments/baseline studies to build up the database against which an activity’s, progress and effectiveness planned at the project's start can be monitored and assessed after completion. This crucial impact management service maps

specific indicators of programmes, under each SDG, based on the global indicator framework developed by the Inter-Agency and Expert Group on SDG Indicators.

- b. **Stakeholder Mapping:** Stakeholder mapping is a collaborative impact management service. It involves research, debate, and discussion that draws from multiple perspectives to determine a list of stakeholders, their influences, and needs across the entire spectrum. It will help to understand, visualise and rank stakeholders' relevance and related issues.
- c. **Process Evaluation:** This exercise helps to learn from the implementation experience and identify gaps and successes, which can subsequently help sustain, strengthen and scale social investments. Areas of inquiry relate to implementation mechanisms, project management structures and systems, human resource development mechanisms, internal analysis, and reflection mechanisms.
- d. **Impact Assessment:** Evaluation studies should provide rich quantitative and qualitative data to understand the impact performance of different enterprises and social investments against the Sustainable Development Goals (SDGs).



Methodology 2: Mix Methods Model

A mix-methods model of detailed documentary review and legal and factual analysis will be deployed for the evaluation. It will be done by leveraging elements of globally recognised assessment criteria and assessment frameworks through a review of regulatory requirements and interactions with stakeholders such as firms on the ground.

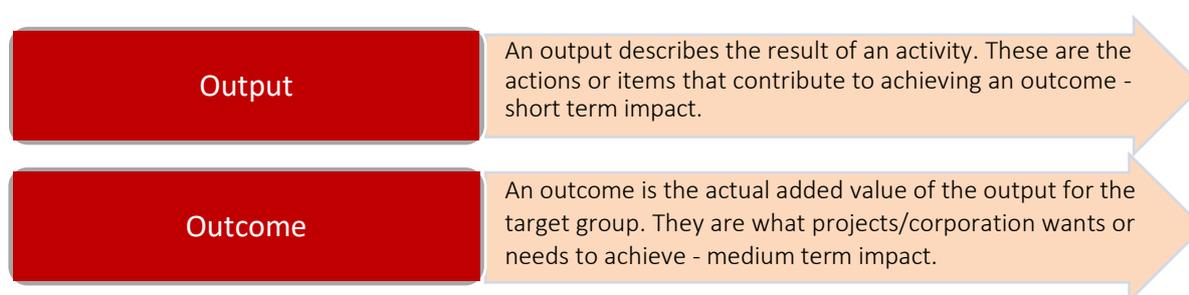
Key steps in this regard are set out below:



Methodology 3 – Output-outcome monitoring Framework (OOMF)

The methodology follows output-outcome-based monitoring. This is a paradigm shift from measuring physical and financial progress to a governance model based on outcomes. The Framework endeavours to provide measurable indicators for the achievement of scheme objectives, or the 'Outcomes' and actively tracks the progress against the initially defined targets.

The framework facilitates target setting on output (measurable product of program activities) and outcome (collective results or qualitative improvements brought about by delivery of services) over some time. The methodology helps map programmes, projects and initiatives to enable performance-based monitoring. This leads to greater input use efficiency and targeted implementation to achieve the desired outcomes.



CUTS Journey

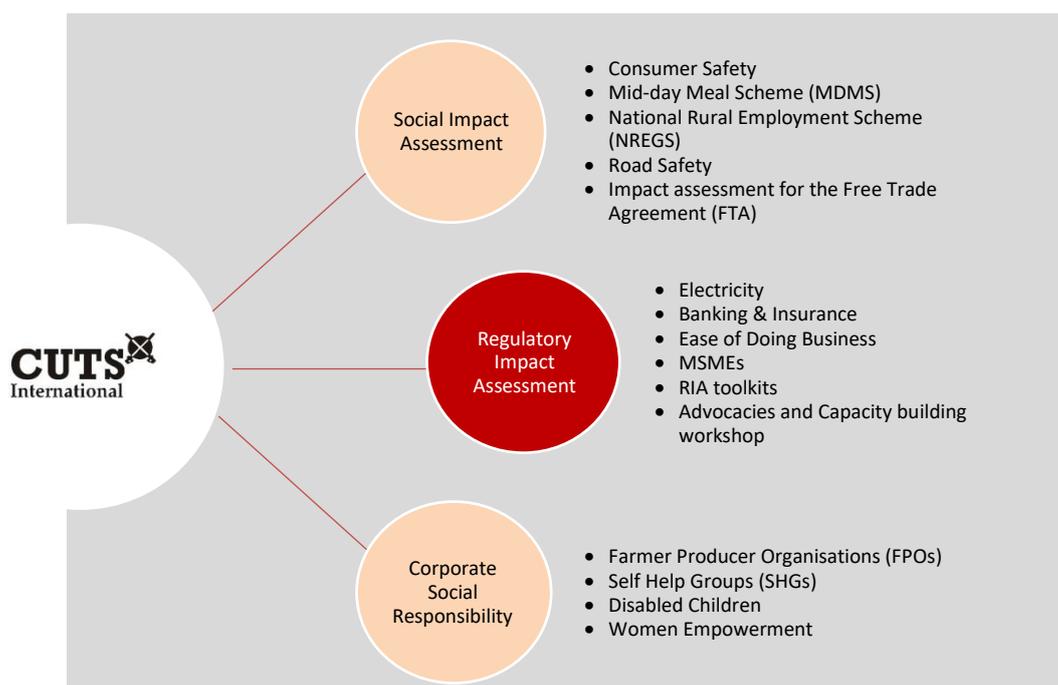
CUTS (Consumer Unity & Trust Society) started as a grassroots consumer-centric organisation headquartered in Jaipur, having centres in Delhi, and Kolkata, and now has overseas Resource Centres in Vietnam, Kenya, Zambia, Ghana, Switzerland, and the United States of America. It continues to remain an independent, non-partisan, and non-profit economic policy thinks tank while opening various programme centres, namely: Centre for International Trade, Economics & Environment (CITEE), Centre for Consumer Action, Research & Training (CART), Centre for Human Development (CHD), and Centre for Competition, Investment & Economic Regulation (CCIER).

CUTS has been working towards assessing and improving the regulatory environment through evidence-based policy and governance-related interventions across sectors and national boundaries. Since 1983, we have garnered the expertise to evaluate the ground-root realities of community welfare programmes for various organisations. Additionally, several internal assessments were undertaken during the course to map the impact and evaluate the community development activities undertaken at CUTS.

Our thematic areas are [effective regulation](#), [rules-based trade](#) and [good governance](#), and activities similar to CSR at CUTS in the backward district of Rajasthan and other states. We have been working to enhance transparency and accountability at all levels of governance

through increased people’s participation using various methods, tools and techniques. CUTS has worked with over 200 organisations, foundations, government departments, corporates, etc.

Our team comprises passionate and practicing professionals with varied backgrounds. It ranges from development sector experts, educationists, environmentalists, and academicians striving to provide innovative solutions to people at the bottom of the pyramid focusing on impact and sustainability. The impact assessment is an independent assessment that results in better goals and plan/project formation to help the surrounding community while communicating the project's benefits to society.



CUTS – A few Partnering Agencies²

| | | |
|--|---|--|
| United Nations Food and Agriculture Organisation | International Institute for Sustainable Development | Global Health Advocacy Incubator/Campaign for Tobacco-Free Kids |
| World Bank, Niti Ayog, Ford Foundation, SED Grant Fund, Government of India, Ministry of Shipping, Road Transport and Highways Department of Road Transport and Highways | Government of India, Ministry of Environment & Forests, New Delhi | Ministry of Women & Child Development, Government of India and Child India Foundation, Mumbai (nodal Agency), Small Farmers Agri-Business Consortium |

² https://cuts-international.org/PDF/Project_Grants_at_a_Glance_July2022.pdf

CUTS – CSR Impact Assessment Team

| Name | Profile | Areas of Expertise |
|--------------------------|---|---|
| Pradeep Mehta | Founder Secretary-General – CUTS International | Trade, Investment, Competition and Development, Economic and Regulatory Analysis |
| Bipul Chatterjee | Executive Director, CUTS & Head, CUTS CITEE | Political Economy of Trade & Development, Institutions and Poor Growth, Social Development Activities, Agriculture, Research and Evaluation Methodology |
| Sushil Muhnot | Senior Advisor – CUTS International Former CMD - SIDBI & Bank of Maharashtra | Finance, Climate Change, and ESG |
| Amrat Singh | Director, CUTS International & Head CUTS CART Overseeing grassroots activities at CUTS | Social Development Sector, Good Governance, Public Administration, Composite Management, specifically Assessing Public Expenditure Outcomes |
| Veena Vidyadharan | Fellow – CUTS | Research and Analytical Skills in the domains of Sustainable Agriculture, Climate Change, Food Security, planning and organising, adaptability |
| Amol Kulkarni | Director (Research), CUTS International | Regulatory & Consumer Impact Assessment, Competition Assessment, Data & Privacy, Assessment of Compliance Cost, Economic Impact Assessment |
| Ujjwal Kumar | Associate Director, CUTS International and Deputy Head, CUTS-CCIER | Competition Assessment, Tech Policy, E-commerce, Food and Nutrition, Health and Innovation, Investment |
| Yatika Agrawal | Senior Research Associate, CUTS | Sustainable Development, Gender, and Trade |
| Palashka Jha | Senior Research Associate, CUTS | Gender, SRHR, and Social Development |