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A FRAMEWORK FOR MONITORING AND EVALUATING
EGYPT'S LOCAL DEVELOPMENT II PROGRAM -

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INTRODUCTION

Since 1978, USAID and the Government of Egypt (GOE) have invested hundreds of millions of dollars in projects aimed at increasing the capacity of local governments and private and voluntary organizations to plan, design, implement, operate, and maintain basic services and infrastructure. This effort has encompassed more than 6,000 subprojects constructing or expanding potable water, sewage, road, educational, health, and similar facilities throughout Egypt. The ultimate program goal has been to improve the social and economic status of the rural and urban poor by stimulating a sustainable, locally based development process. (For a more detailed discussion of the background to LD II see Annex II.)

The Local Development II (LD II) Program combines five previous decentralization efforts into a single organizational structure that can more effectively address key local development constraints, particularly in the areas of policy analysis and dialogue, local resource mobilization, and operation and maintenance. Timely and appropriate monitoring and evaluation information is not only important for tracking the implementation and impact of LD II's many subprojects and activities, but is also essential to improving the capabilities of Egyptian institutions themselves. The monitoring and evaluation plan will therefore integrate past monitoring and evaluation activities into a single management information system linking all levels of program organization

INFORMATION USERS

Major users of LD II information include:

USAID project and program officers responsible for monitoring program implementation, refining program design, and evaluating program impact;

The Interministerial Local Development Committee (ILDC) responsible for overall policy, guidance, coordination, and oversight for the LD II program;

The ILDC'S Urban Subcommittee responsible for overall guidance, coordination, and oversight for LD II's urban activities;

The ILDC's Provincial Subcommittee responsible for overall guidance, coordination, and oversight for LD II's provincial activities;

The ILDC's Local Resource Mobilization Subcommittee responsible for overall guidance, coordination, and oversight of local finance initiatives and PVO subprojects;

The ILDC's Operation and Maintenance Subcommittee responsible for overall guidance, coordination, and oversight of activities to improve the operation and maintenance capabilities and performance of local governments;

The ILDC's Training Subcommittee responsible for overall, guidance, coordination, and oversight of program training activities;

The AMANA Technical Secretariat responsible for conducting analyses and studies to support the activities of the ILDC and its subcommittees;

The Organization for the Development and Reconstruction of the Egyptian Village (ORDEV), the agency of the Ministry of Local Government responsible for coordinating provincial development activities;

The 26 Governate Local Development Committees (GLDC's), which include Governors or Secretary-Generals, Governate Local Development Directors, Governate Service Ministry Directors, and Governate Popular Council Members, and which are responsible for planning, coordinating, and guiding program activities in each governate;

Relevant District Level Officials, including District Chiefs, District Local Development Directors, District Service Ministry Directors, and Popular Council Members, responsible for planning and implementing program activities in each district;

Relevant Village Unit Officials, including Village Chiefs, Village Local Development Directors, Village Service Ministry Directors, and Popular Council Members, responsible for planning and implementing program activities in each village unit;

Relevant Saqqara Institute Officials responsible for developing, coordinating and implementing many of the program's training activities;

Relevant PVO officials responsible for planning, designing and implementing PVO subprojects;

Program contractors responsible for providing technical assistance and revising this assistance in consultation with program officials to meet changing program needs.

PROGRAM GOALS, PURPOSES, AND OUTPUTS

The goal of LD II is

to improve the quality of life of low income residents in rural and urban Egypt through the provision of basic services.

The purposes of LD II are

to improve and expand the capacity of local government at all levels to plan, finance, implement, and maintain locally chosen basic services projects; and

to improve the capacity of local government to mobilize local resources to support the sustained provision of basic services.

The outputs of LD II are:

1. Basic Services Delivery System (BSDS) established in all levels of local government, and
2. Public and Private Local Resource Mobilization (LRM) System established at all levels of local government.

These outputs encompass a GOE matching block grant program; the completion of 2100 annual local government planning cycles; the training of more than 57,000 participants; the construction of more than 4000 subprojects; and the establishment of hundreds of governate, district, and village maintenance centers.

KEY QUESTIONS, INDICATORS, DATA SOURCES, AND ANALYSIS

Annex I provides a comprehensive list of the key goal, purpose, and output level questions for LD II and the indicators, data sources, and analysis needed to answer them. Every monitoring and evaluation activity should address one or more of these questions and major evaluations should address many, but not necessarily all, of them. Satisfactory answers to some questions will require several discrete monitoring and evaluation studies.

METHODOLOGIES

Although Annex I identifies the key questions, indicators, data, and analysis encompassed by LD II monitoring and evaluation, it does not delineate a discrete set of data collection and analysis activities through which key questions will be answered. These activities include the major

evaluations, annual evaluation reviews, special evaluation studies, and management information system described below. The list is not meant to be all inclusive; changes and additions should be made as topics and issues emerge during implementation. The list also assumes that the program will likely be extended for several years beyond its current authorization. If not, the number of activities should be reduced.

Major Evaluations:

Major evaluations provide an opportunity for independent assessments of overall program progress, problems, and impact. They should be scheduled to provide information for important management decisions about project continuation, extension, redesign, or follow-up. Major evaluations rarely involve extensive data gathering, such as large sample surveys, and evaluation teams usually spend only a few weeks in the field. Major evaluations tend to be more successful when complementary data from regular evaluations, special studies and program monitoring are available. This is especially true for a large and complicated program such as LD II.

The major evaluations described below are envisioned as three to five week studies conducted by three to six member teams of AID/Cairo, AID/Washington, and contractor staff. The teams' primary task would be to synthesise the wealth of information that should already be available from other evaluation activities. This data be supplemented by interviews with key policy makers, local government officials, and beneficiaries and by subproject site visits.

A. First Major Evaluation (November 1986)

The first major evaluation has been scheduled for November 1986 to provide information for decisions that AID/Cairo must make during the winter and spring of 1987 about extending and redesigning the program. By November 1986, the program's organizational structure should be established and functioning; training and technical assistance should have begun; and the first cycle of needs assessment, planning, and budgeting should be nearing completion. While it will still be too early to evaluate the outcome of LD II's local resource mobilization and operation and maintenance components, subproject implementation will be continuing from previous projects. The evaluation can therefore provide an overall sector assessment, examining the impact of continuing program activities on local government institutions and basic service beneficiaries. This will rely to a considerable extent on data from a series of special studies.

The key questions and data sources (for greater specificity, see Annex I) include:

1. Are new organizations (the ILDC, ILDC Committees, AMANA, and GLDC's) established, staffed, and functioning as planned? (Project records/interviews)
2. Has an LRM policy change agenda been developed and have policy discussions been initiated? (Interviews/project records)
3. Have GOE O&M block grants been transferred to local governments as planned? (Project records/interviews)
4. Have O&M needs assessments and plans been successfully developed by local governments? (Interviews/MIS)
5. Have local governments successfully prepared plans and budgets for the first funding cycle? (Interviews/site visits/MIS)
6. Are technical assistance contractors in place and have LRM, O&M, MIS, and implementation technical assistance and training been successfully initiated? (interviews/site visits/project records/MIS)
7. Have local government revenues and expenditures increased relative to national revenues and expenditures during DSS I and LD II? (special study)
8. Have the administrative responsibilities and political authority of local governments for development decisions increased during DSS I and LD II? (Especially in governates identified as weakly decentralized in the 1984 BVS mid-term evaluation) (special study/site visits)
9. Have the availability of basic services and the amount of local infrastructure increased during DSS I and LD II? (MIS infrastructure survey)
10. How much are the basic services and infrastructure constructed in DSS I and LD II being used by intended beneficiaries? (special study/MIS reports/site visits)
11. What effects have DSS I and LD II subprojects had on users and their communities? (special study/site visits)

B. Second Major Evaluation (November 1988)

After three years of program implementation, the second major evaluation will provide an opportunity for assessing progress and problems and the need for any changes or redesign. The evaluation should carefully examine LD II's LRM and O&M initiatives and the program's impact on institutional capacities and beneficiaries. The evaluation should make use of a variety of existing data, including annual evaluation reviews, a continuing series of special studies, and a fully operating program MIS.

C. Third Major Evaluation (November 1990 or November 1991)

This evaluation should be scheduled either in the final program year or a year earlier as the basis for designing a program follow-up. The evaluation should provide an overall sector assessment focusing on improvements in LRM, O&M, subproject implementation, other aspects of local government capacity, and the status of beneficiaries. An external contractor may be required to synthesise the large amount of information that should be available from annual evaluation reviews, special studies, and the MIS.

Annual Program Reviews:

The LD II program paper specifies that the AMANA prepare an annual program review. Since the AMANA will be the repository of much of the program's policy and analysis expertise, this review should be much more than a perfunctory progress report. It should be completed each September or October, after final MIS data is available for the Egyptian fiscal year (ending June 30) and prior to major evaluations in the years they are scheduled. Annual program reviews should:

1. Summarize progress in defining, discussing, and implementing policy changes to facilitate local resource mobilization, improve operation and maintenance, and increase the responsibilities and authority of local governments;
2. Summarize and analyze MIS information on subproject implementation, LRM, O&M, planning and budgeting, and technical assistance and training;
3. Synthesize special studies and policy analyses into an overall appraisal of LD II progress, problems, and impact.

Special Evaluation Studies:

Special evaluation studies will provide a primary source of information on implementation processes, unanticipated problems, and program impact and will be an important source for major evaluations and annual evaluation reviews. About three to five special studies are planned each year, for a total of about 25 to 30 special studies during seven years of LD II implementation. The AMANA technical assistance contractor will have primary responsibility for special study coordination, including subcontracts to Egyptian and expatriate social, economic, financial, and technical firms.

Special studies should be relatively brief (two to eight weeks from start to final report) and relatively small (one to three person teams). They should also be relatively cheap, averaging about \$10,000 to \$20,000. Designs should be simple and data collection straight-forward, relying on informal (non-random) surveys, secondary analyses, rapid appraisals, key informant interviews, group interviews, simple indicators (the Egyptian equivalent of the number of houses with tin roofs), and participant observation. This should not, however, be an excuse for inaccurate measurement or unsubstantiated conjecture. Occasionally, more complicated methods will be required, such as a regression or correlation of available statistical data or a small-scale sample survey. Many of the studies, however, should be within the capabilities of local contractors.

While some potentially useful special studies are described below, this list should not be viewed as final or fixed. Additional studies should be designed as topics and issues emerge during program implementation. (Starred (*) topics should be implemented prior to the November 1986 major evaluation, if possible.)

1.* Aggregate statistical analyses of trends in local revenue and expenditures in relation to national revenues and expenditures (from national accounts and governorate accounts data, updated each year)

2.* Use of basic services and infrastructure and their impact on users and communities in particular locales. (detailed (3-7 day) case studies in 4-8 villages or districts, repeated as results warrant, relying on key informants, informal surveys, simple indicators, participant observation, and available records and statistics)

3.* Local government involvement in local development decisions. (case studies in 4 provincial and 2 urban governorates revising and reapplying the dimensions and scales from the 1984 mid-term evaluation, relying on observation and key informant interviews)

- 4.* Design, operation, maintenance, and use of potable water projects. (quantitative and qualitative data from site surveys/case studies of 20-40 potable water projects (one to two person days/project), relying on observation, simple indicators, available records, and key informants)
5. Design, operation, maintenance, and use of roads projects. (see #4 above)
- 6.* Design, operation, maintenance, and use of education projects. (see #4 above)
7. Design, operation, maintenance, and use of health services projects. (see #4 above)
8. Design, operation, maintenance, and use of projects in other sectors or subsectors in which there are large investments or for which the MIS suggests design, operation, maintenance, or use problems. (see #4 above)
9. The use of information in local government. (three to five day case studies in 2-4 governates, 2-4 districts, and 2-8 villages focusing on how and to what extent MIS and other information is used in infrastructure investment, operation, and maintenance decisions)
10. Planning, implementation, and use of PVO subprojects. (one to two day case studies of 20 to 40 PVO subprojects using key informants, observation, and administrative records) (given the number and diversity of PVO subprojects a more elaborate design may be needed)
11. The generation and use of local resources. (in-depth examination of financial accounts and key informant interviews in two governates, four districts, and four villages) (May want to choose "best cases" to document and verify opportunities; may want to repeat or expand)
12. Maintenance plans and performance for basic services and infrastructure. (In-depth examination (one week each) of maintenance plans in four districts focusing on how plans were developed, how observed maintenance needs relate to plans, and how maintenance is implemented, relying on observation and site visits, interviews with key informants, and administrative records).
13. Plans and performance for maintenance centers and equipment. (see #12 above)
14. Coordination and cooperation in Governate Local Development Committees. (case studies of activities, organization, and decisions of 4 GLDC's, relying on informant interviews, group interviews, observation, and administrative records)

15. Changes in maintenance needs and levels of basic service infrastructure. (secondary analysis of maintenance needs assessments and plans, infrastructure surveys, and monitoring information)

Management Information Systems:

The LD II MIS will build upon the information systems already established in DSS I projects. All of these information systems provide useful subproject monitoring data to meet AID and GOE accountability needs. To varying degrees these systems also provide information on subproject results and beneficiary impacts and have sought to increase the information capabilities of local governments. However, the LD II MIS will also be revised to reflect lessons learned and new priorities:

- o While basic information systems have been established, they are not yet management information systems, producing information in a form immediately relevant to the decision-making needs of managers in different organizational positions.
- o Sustainable improvements in the capacity of local governments to use information should be among the highest priorities. This requires more relevant information, as well as appropriate equipment, software, skills, and awareness.
- o LD II places a strong emphasis on local resource mobilization and on operation and maintenance, and these new activities will need close monitoring.
- o A few simple additions to the core MIS could provide extremely useful information for program evaluation. Other useful information could be provided by supplementary maintenance needs surveys and basic infrastructure surveys, if desirable.

More specifically, the MIS should include:

1. Subproject monitoring

- a) Location: Village, district, and governate, as currently reported.

- b) Project Type: A detailed breakdown of project sector and subsector, similar to the NUS classifications.

- c) Relationship to Existing Infrastructure: Whether the project is a new facility, expansion of an existing facility, rehabilitation of an existing facility, etc.; whether the facility previously received DSS I or LD II funds.

- d) Program Funds Allocated: As currently reported.
- e) Program Funds Spent: As currently reported.
- f) Percent Program Funds Spent: As currently reported.
- g) Local Funds Spent: Amount, if any.
- h) Local Funds as Percent of Total: If any.
- i) Physical Completion: Some measure of the physical completion of projects is needed. The current BVS' PCI may suffice, but it emphasizes the completion of financial investment and does not necessarily show that a project is operational. This may, however, be better indicated by the "use" variable.
- j) Project Narrative: A brief (10 to 30 word) narrative describing what the project does (e.g., constructs 400 meters of potable water pipe and 4 pump stations; rehabilitates four classrooms; etc.)
- k) Intended Beneficiaries: Number of beneficiaries and type of benefit (e.g., provides potable water for 400 household; provides new classrooms for 300 students operating in three shifts; provides street lights for 200 local residents and 2000 daily pedestrians; etc.)
- l) Actual Use: Who is actually using the project (e.g., not yet operational; serves 200 households through 300 meters of completed pipes; provides classrooms for 200 students operating in two shifts; etc.)
- m) Maintenance Needs: Ordinal categories (e.g., unusable, extensive maintenance needs, substantial maintenance needs, minor maintenance needs, only routine maintenance needed)

2. Maintenance Centers and Equipment

The construction of of maintenance centers can be monitored like any other subproject activity using the regular MIS system. Separate forms and procedures will be needed, however, to monitor heavy equipment maintenance and use and spare parts inventories. These should be developed by the O&M technical consultants. Information would be transmitted to the governates, ORDEV, and the AMANA for aggregation and analysis.

3. Operation and Maintenance

LD II requires annual local government O&M needs assessments and maintenance plans. Standard formats and procedures should be developed by the implementation contractors in consultation with the O&M contractor. The information would be transmitted to the governates for computerization and analysis.

4. Basic Services and Infrastructure

Both the NUS and EVS projects conducted surveys of local government services and infrastructure. Such services are not only useful in local government planning, but conducted on an annual or biannual basis could would provide important information on service and infrastructure improvements. The current BVS OSIRIS survey is, however, far too complex and would need to be simplified before being implemented on a regular basis.

5. Local Resource Mobilization

An annual survey could be developed by the LRM contractor to collect longitudinal information on local revenue generating activities.

6. Training

Forms and procedures should be developed and disseminated by the training contractor to monitor the kinds of training programs offered, the numbers and characteristics of trainees, and trainee course evaluations.

MIS implementation should begin as soon as possible. New forms must be developed and staff trained at all levels of local government. Extensive training and assistance will also be required in computer operation and information use, especially in the urban governates. A phased implementation will probably be necessary. The new subproject monitoring system should be developed, institutionalized, and tailored to decision-makers during the first year, with other components added as they are developed and as local information capabilities improve.

ORGANIZATIONAL RESPONSIBILITIES

Monitoring and evaluation responsibilities are infused throughout LD II's complex organizational structure. This organizational structure is also still in flux, and any changes may require changes in the evaluation responsibilities described below:

AMANA:

AMANA is at the apex of the monitoring and evaluation pyramid. AMANA will receive processed MIS data from ORDEV and each urban governate. AMANA, assisted by its technical contractor will prepare summaries and statistical analyses and incorporate these with subproject activity data in Quarterly Progress Reports (QPR's) for AID and the ILDC. AMANA will also prepare special summaries and analyses for the ILDC and its committees. All of these data and analyses will be synthesized in AMANA's Annual Program Review (APR).

While AMANA's technical capabilities are being established, QPR's should continue to be prepared by ORDEV and the urban implementation contractor.

ORDEV:

ORDEV, assisted by the provincial implementation contractor, is the focal point for data from rural governates. ORDEV will aggregate data received from individual governates, prepare summary tables, and forward this information to AMANA (and initially to AID). ORDEV will also prepare tailored analyses for individual governates and the MLG.

Governate Information Offices:

Governate information offices, assisted by their contractors, will receive manual information on subproject activities from districts, enter the information in the computer, check it, and forward it to ORDEV or AMANA as appropriate.. As capabilities increase, information offices will begin preparing tailored summaries and analyses of subproject data for governate, district, and village officials.

District and Village Information Offices

District and Village Information Offices, assisted by their implementation contractor, will collect data on subproject activities and forward it to the district or governate for processing.

The AMANA Contractor:

The AMANA contractor will provide technical assistance and training to AMANA staff in policy analysis, evaluation, and computerized data processing. The contractor will assist in aggregating subproject activity data, preparing summary statistics and analyses, and preparing the Quarterly Progress Report. The contractor will also assist AMANA in preparing Annual Program Reviews and other specialized analyses. The contractor will also coordinate the program of special evaluation studies, including subcontracting arrangements.

The Provincial Implementation Contractor:

The Provincial implementation contractor will institutionalize information collection, transmittal and analysis systems in ORDEV and all levels of local government. This will include training and/or technical assistance in manual data collection and checking, computerized data entry, computer operation, and data analysis. The contractor will work with local government officials to tailor MIS outputs and feedback to best meet their information and decision needs. The contractor will jointly develop MIS forms and procedures with the Urban Implementation contractor.

The Urban Implementation Contractor:

The Urban implementation contractor will institutionalize information collection, transmittal and analysis systems in the urban governates and districts. This will include training and/or technical assistance in manual data collection and checking, computerized data entry, computer operation, and data analysis. The contractor will also work with urban government officials to tailor MIS outputs and feedback to best meet their information and decision needs. The contractor will jointly develop MIS forms and procedures with the Provincial Implementation contractor.

The LRM and O&E Contractors:

The LRM and O&E contractors will advise AMANA and the implementation contractors on incorporating LRM and O&E data in the MIS. The O&E contracting will implement maintenance centers and equipment monitoring activities. The LRM contractor will develop the local resource generation survey.

The Training Contractor:

The training contractor will develop the forms and procedures for monitoring training activities, distribute these forms to training providers, and assist Saqqara Institute in aggregating and analyzing training data. If no training contractor is hired, the AMANA contractor would assume these responsibilities.

FEEDBACK

Feedback mechanisms include:

- o Tailored MIS reports (to AID, the ILDC, AMANA, ORDEV, and all levels of local government);
- o monthly contractor progress reports (to AID and AMANA)

- o Quarterly Progress Reports (from AMANA to AID and the ILDC; initial from ORDEV and the urban implementation contractor)
- o Annual Program Reviews (from AMANA to AID and the ILDC)
- o Special Studies (from AMANA contractor and subcontractors to AMANA, AID, and the ILDC)
- o Major Evaluations (from evaluation teams to AID and the ILDC)

ANNEX I

KEY QUESTIONS, INDICATORS, AND DATA SOURCES

I. Goal Level Questions:

1. Has the overall quality of life improved at the national or governate level?

Indicators: Changes in aggregate quality of life statistics, such as declining infant mortality rates, increasing lifespans, increasing proportion of population with access to potable water and sanitation, increasing proportion of population with access to good roads, or other measures, as available.

Data: Regularly collected census or survey data at the national or governate level available from CAPMAS (the Egyptian statistical agency), the World Bank, or other organizations.

Analysis: Secondary analysis of changes in quality of life indicators over time; comparisons of trends in urban and provincial governates. (baseline data should be available prior to the implementation of DSS I projects)

Caution: While aggregate indicators provide a general indication of quality of life, they should be interpreted cautiously in assessing program impact. Although LD II is large, its effect on aggregate quality of life indicators could easily be masked by other factors (falling oil prices, poor harvests, political instability). Developing country statistics are also notoriously inaccurate and errors in measurement may be larger than program effects. Finally, since LD II is a national program, comparisons between regions receiving and not receiving program outputs are impossible.

2. Has LD II increased the availability of basic services and infrastructure?

Indicators: Increases in the number of basic service facilities or the quantity of basic service infrastructure in villages and districts.

Data: Regularly collected needs assessment and infrastructure survey data as part of the program's MIS.

Analysis: Increases in the number of basic service facilities and in the quantity of relevant infrastructure overall, per capita, and by basic service categories (e.g. potable water systems, schools, health clinics, roads, etc.); declining levels of unmet needs.

3. How much are the facilities and infrastructure constructed or improved by the program being used by intended beneficiaries?

Indicators: Numbers and characteristics of users of basic service facilities and infrastructure; increases in the numbers of intended users of facilities and infrastructure following program improvements.

Data: Routine MIS data on intended and actual facility and infrastructure users; special studies and surveys of selected locales (villages and/or districts) and sectors (e.g., potable water, roads, education, etc.).

Analysis: Comparisons of actual and intended numbers of facility and infrastructure users; calculation of numbers of users in intended beneficiary categories; comparison of number of users before and after facility improvement.

4. Has the quality of life of basic services and infrastructure users improved?

Indicators: Infant mortality rates, disease incidence, percentage access to good roads, increases in percentage of family members in school, increases in family members average years of schooling, increases in income (e.g., through road access to new jobs or new entrepreneurial activities), etc. (as appropriate to subprojects in particular sectors); attitudes and opinions expressed in informal interviews and surveys.

Data: Special studies and surveys of particular locales and subproject sectors.

Analysis: Improvements in quality of life indicators over time in particular locales studied; comparisons with locales lacking similar service and infrastructure subprojects; assessment of interviews and attitude surveys.

II. Purpose Level Questions:

A. National Organizations and Policies

1. Are national level policy and coordinating organizations, the ILDC and its Urban, Provincial, Local Resource Mobilization, Training, and Operation and Maintenance Subcommittees, established and functioning as planned?

Indicators: Listing of organizations established; listing of organizational membership; frequency of organizational meetings; meeting agendas.

Data: ILDC and Subcommittee records, minutes, and agendas; contractor progress reports; interviews with selected AID, AMANA, and ILDC representatives.

Analysis: Determination of whether ILDC and Subcommittees have been established; comparison of planned and actual organizational membership (whether appropriate officials are participating); comparison of planned and actual activities (frequency of meetings); comparison of planned and actual organizational agendas.

2. Is the AMANA Technical Secretariat established, staffed, and functioning as planned?

Indicators: Existence of formal AMANA authorization; existence of AMANA table of organization; listing of functional units; listing and qualifications of staff seconded to AMANA; existence of technical assistance and support contracts; listing and qualifications of technical assistance and support staff; existence of appropriate incentive pay scheme.

Data: AMANA records; contractor records and progress reports; interviews with selected AMANA, contractor, and AID representatives.

Analysis: Comparisons of actual and expected structure and staffing patterns in terms of functions, qualifications, and numbers; assessment of staff capability to fulfill intended functions.

3. Has the ILDC, supported by the AMANA, developed a policy change agenda for financial decentralization (inter-governmental grants and local resource mobilization) and initiated relevant policy discussions?

Indicators: Existence of an appropriate policy change agenda; preparation of relevant technical analyses, papers, and reports by the AMANA and its contractors; occurrence of appropriate policy discussions within the ILDC and its subcommittees; occurrence of appropriate meetings and communications between the ILDC and other senior policy making bodies (e.g., the President's cabinet and Popular Assembly).

Data: ILDC and AMANA records; contractor reports; interviews with selected ILDC, AMANA, contractor, and AID representatives.

Analysis: Determination that an appropriate policy change agenda has been developed; determination that supporting policy analyses and reports have been prepared; determination that relevant senior level policy discussions are proceeding.

4a. Are policy changes that would enhance fiscal decentralization occurring?

Indicators: List of policy changes that have occurred; list of budgetary and executive actions taken to implement new policies.

Data: Presidential decrees, Ministerial decrees, Popular Assembly decrees, and other legislative and executive actions; interviews with selected governmental officials; national and governate budgets and final accounts..

Analysis: Comparison of actual policy changes with the ILDC policy change agenda; assessment of the adequacy of budgetary and other actions to implement new policies.

4b. Is the GOE systematically funding matching block grants to local governments for operation and maintenance and investment for local development?

Indicators: Existence of O&M and investment block grants in Egyptian budget; successful transfer of block grant funds to governates; increases in coverage and funding of block grants over time.

Data: GOE budget documents; governate final accounts; interviews with selected Ministry of Finance, Ministry of Local Government, and Governate officials.

Analysis: Determination that block grants are being funded and that effective procedures for transferring block grants to governates exist; assessment of adequacy of funding levels and sources; assessment of GOE commitment to block grant process.

4c. Is a formula based inter-governmental grants system being implemented?

Indicators: Existence of appropriate formulae for transferring block grant and other development funds to governates based on systematic assessments of O&M needs, past levels of service and infrastructure investment, and/or investment needs; occurrence of fund transfers according to formulae.

Data: GOE budget documents; governate final accounts; interviews with selected MOF, MLG, and governate officials.

Analysis: Determinate that appropriate formulae have been developed; determination that appropriate fund transfers have occurred.

4d. Have local councils gained increased authority to collect, retain and expend local revenues and user fees?

Indicators: Existence of Presidential, Ministerial, Popular Assembly decrees or other executive or legislative actions providing necessary authority.

Data: Examination of government records, decrees, and laws; interviews with selected governmental officials.

Analysis: Determination that new laws and decrees increase local council authority; determination of the extent to which new laws and decrees fulfill the ILDC policy agenda; determination how much locally controlled revenue new laws and decrees could yield.

5. Have the capabilities of the Ministry of Finance (MOF) and the Ministry of Local Government (MLG) to provide technical assistance to local governments in revenue generation and recurrent cost financing been strengthened?

Indicators: Existence of an MOF and MLG LRM technical assistance action plan; number of MOF and MLG staff (or staff-days) devoted to LRM technical assistance; amount (or staff days) of technical assistance (by level of local government); proportion of total LRM technical assistance provided by MOF and MLG staff; quality and relevance of technical assistance provided.

Data: LRM technical assistance records, materials, and monitoring (MIS) information; contractor progress reports; interviews with selected government officials and technical assistance providers; interviews with selected local level technical assistance recipients.

Analysis: Amount of technical assistance provided by MOF and MLG staff in total and on average at different government levels; percent of local government units receiving technical assistance; proportion of total LRM technical assistance (including contractor TA--see output indicators) provided by MOF and MLG staff; changes in amount and proportion of TA provided by MOF and MLG over time; assessments of the quality and usefulness of technical assistance received.

6. Have the capabilities of the Ministry of Social Affairs (MSA) and the Governate Social Affairs Directorates to provide technical assistance to local government units and PVO's been strengthened?

Indicators: Existence of an MSA technical assistance action plan for PVO's; number of MSA and Governate Social Affairs staff (or staff-days) devoted to PVO technical assistance; number (or staff days) of technical assistance (by level of local government and PVO's); proportion of total PVO technical assistance (including contractor TA) provided by MSA and Governate Social Affairs staffs; quality and relevance of technical assistance provided.

Data: MSA and Governate Social Affairs technical assistance records, materials, and monitoring (MIS) information; contractor progress reports; interviews with selected government officials and technical assistance providers; interviews with selected PVO and local government technical assistance recipients.

Analysis: Amount of technical assistance provided by MSA and Governate Social Affairs staff in total and on average at different government levels and by type of TA; percent of local government units and PVO's receiving technical assistance (by type); changes over time in the amount and proportion of total PVO TA (including contractor TA--see purpose indicators) provided by MSA and Governate Social Affairs staff; assessments of the quality and usefulness of technical assistance received.

7. Have the training capabilities of the Saqqara Institute and other Egyptian institutions and firms been strengthened?

Indicators: Establishment of Saqqara Institute; numbers and types of training activities provided by Saqqara and other Egyptian institutions; quality and relevance of training provided.

Data: Administrative records; training curricula; contractor progress reports; training records, materials, and monitoring (MIS) information; interviews with selected Saqqara and other Egyptian institution officials; interviews with selected training providers; interviews with selected training recipients.

Analysis: Determination that Saqqara has been established and is functioning; numbers and types of training activities provided by Saqqara and other Egyptian institutions; numbers and types of training participants; proportion of training (including training provided by expatriate contractors--see output indicators) provided and participants trained by Egyptian institutions; changes in numbers and proportions over time; assessments of the quality of training provided.

8. Is a Masters degree in public finance being offered by an Egyptian university?

Indicators: Existence of a Masters degree program in public finance, with an appropriate curricula, at an Egyptian university; number of students admitted to the program; number of students successfully completing the program.

Data: Announcements of program establishment; administrative records; interviews with selected program officials and students.

Analysis: Determination that program has been established; assessment of adequacy of curriculum and faculty; assessment of adequacy of program size and performance.

B. Local Organizations and Activities

9. Have Governate Local Development Committees (GLDC's) been established and are they functioning effectively?

Indicators: Establishment of functioning GLDC's in every urban and provincial governate; designation of local development coordinators in every governate; quality and availability of management information in each governate; use of management information in GLDC decisions; number of governates with functioning computerized management information systems.

Data: GLDC minutes, records, and reports; governate level needs assessments, plans and subproject monitoring (MIS) reports; contractor reports; interviews with selected governate officials; observation of GLDC meetings.

Analysis: Number of GLDC's established; number of governates with functioning local development coordinators; number of governates with computerized information systems; quality and availability of MIS data; extent to which needs assessments and plans reflect MIS information.

10. Is the decentralized planning and budgeting system operating as intended?

Indicators: Timely and efficient transfers of local development funds to lower governmental levels; investment plans reflect funding priorities (maintenance facilities, O&M for existing projects, and new projects); plans are developed and receive primary approval at the government level at which projects are implemented.

Data: Governate, district, and village financial accounts; O&M and investment plans; MIS reports; contractor reports; interviews with selected local government officials; observation of selected governate, district, and village meetings.

Analysis: Time required for fund transfers; number and proportion of plans at each government level that reflect funding priorities; number and proportion of projects that receive primary approval at each government level.

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11. Have project planning, financial planning, and implementation capabilities been improved at all levels of local government?

Indicators: Extent to which management information is used in project planning, financial planning, and implementation decisions at all government levels; extent to which implemented projects meet highest priority community needs; number and extent of delays in project disbursements or implementation; accuracy of cost estimates; number of projects with operation and maintenance problems due to faulty design; number of projects with operation and maintenance problems due to faulty construction.

Data: Subproject monitoring (MIS) reports; project plans and needs assessments; interviews with selected local government officials, implementation contractors, engineers, and community members; project and community site visits.

Analysis: Changes in disbursement and implementation performance overtime; comparisons of project plans and needs assessments; comparisons of operation and maintenance needs by government unit and project type; comparisons of numbers and proportions of projects with design or construction flaws by government unit and project type.

12. Are appropriate maintenance facilities established and functioning at all levels of local government?

Indicators: Number of maintenance facilities established and functioning at each government level; number of maintenance facilities needed at each government level; use of equipment and facilities; quality of maintenance procedures.

Data: Project monitoring (MIS) reports; maintenance needs assessments and plans; interviews with selected maintenance personnel and facility and equipment users; observation of maintenance practices; observation of facilities and equipment maintained.

Analysis: Increases in the number of maintenance facilities established and functioning at each government level; declines in the number of new maintenance facilities needed; changes in the quality and extent of maintenance provided; increases in the use of facilities and equipment as maintenance improves.

13. Has the operation and maintenance of basic services improved?

Indicators: Amount and type of routine maintenance provided; amount and type of rehabilitative maintenance provided; amount and type of emergency maintenance provided; condition and use of infrastructure maintained; quality of maintenance provided;

Data Project monitoring (MIS) reports; interviews with selected maintenance personnel, local government officials, and facility users; examination of facilities being maintained.

Analysis: Declines in rehabilitative and emergency maintenance over time; increased use of infrastructure; improved condition of infrastructure.

14. Has a system been developed that has financial, managerial, and administrative capacity to integrate PVO's into the local development process?

Indicators: Timely and efficient transfer of funds to PVO projects; proportion of PVO projects addressing priority community needs; proportion of PVO projects meeting planned disbursement and implementation targets; existence of effective MIS system to monitor and plan PVO activities; amount and type of services provided and used.

Data: Project monitoring (MIS) information; basic services and infrastructure needs assessment; interviews with selected MSA, local government and PVO officials; interviews with community members and beneficiaries; observation and site visits.

Analysis: Increasing proportion of PVO projects disbursing funds and implementing activities as planned; increasing proportion of PVO projects addressing needs assessment priorities; increasing use of PVO facilities; services valued by beneficiaries.

15. Are local governments collecting and spending increasing revenues and user fees?

Indicators: Increases in the amount and proportion of aggregate local government revenues and expenditures; increases in the amount and proportion of local revenues for specific government units; increase in the amount and proportion of local contributions in basic services and infrastructure investments; establishment of new types and sources of local revenue.

Data: National and governate final accounts; project monitoring (MIS) reports; examination of selected village and district financial records; interviews with selected local government officials.

Analysis: Amount and proportion of aggregate local revenues and expenditures compared to national and total revenues over time; in depth appraisal of amount, sources, and proportion of local revenues and expenditures for selected local government units; in depth assessment of funding sources for all service and infrastructure investments by selected local government units.

16. Are local governments paying for an increasing proportion of the recurrent costs of local basic service facilities and infrastructure?

Indicators: Amount and proportion of local government O&M contributions for USAID funded facilities and infrastructure; amount, proportion, and source of local government O&M contributions for all basic service and infrastructure activities in selected government units.

Data: Project monitoring (MIS) reports; project and financial records for selected local government units; interviews with selected local government officials.

Analysis: Increases in amount and proportion of local government O&M contribution to USAID funded projects over time; increases in the amount and proportion of local government O&M contributions for all basic service and infrastructure projects over time in selected local units.

17. Are local accounting units, certified by the MOF, operating in local governments?

Indicators: Number and proportion of local government units with MOF certified accountants.

Data: MOF administrative records; site visits to selected government units; interviews with selected government officials.

Analysis: Changes over time in the number and proportion of local government units with MOF certified accountants.

18. Are more technically skilled staff working at all local government levels?

Indicators: Numbers of technically skilled staff (accountants, engineers, etc.) in local government units; amount of technical training of local government staff.

Data: Local government personnel records; informal surveys of selected local government units;

Analysis: Changes over time in numbers of technically skilled staff; changes over time in amounts of technical training of local government staff.

19. Are local council members aware of their roles in local development and have they gained basic skills in project planning/implementation?

Indicators: Knowledge, attitudes, and skills of local council members; increased local council participation in decision-making for development project planning and implementation.

Data: Informal surveys of selected local council training participants; interviews with selected local council officials; observation of selected local council meetings.

Analysis: Existence of appropriate knowledge, attitudes, and skills; increasing participation in development project decision-making.

III. Output Level Questions:

1. Have matching block grants been provided by the GOE in each project year as planned? (17 in FY 86, 26 in FY 87, and 15 in FY 88)

Indicators: Numbers and amounts of matching block grants provided by the GOE each year .

Data: Formal GOE correspondence; project records; national and governate financial accounts.

Analysis: Comparisons of planned and actual numbers and amounts of matching block grants.

2. Have planning cycles been successfully completed at all local government levels? (2100 cycles planned)

Indicators: Numbers of local government units successfully completing annual planning cycles.

Data: AMANA administrative records; MIS reports.

Analysis: Comparison of actual and planned project planning cycles completed.

3. Have functioning maintenance centers been established as planned in 26 urban districts, 70 markaz, and 500 village units?

Indicators: Numbers of functioning maintenance centers established.

Data: MIS reports, site visits (see Purpose Level Indicator #14)

Analysis: Comparison of actual and planned number of maintenance centers.

4. Have local projects been implemented as planned? (1900 provincial subprojects, 550 urban subprojects, and 1700 PVO projects and 500 O&M equipment purchases)

Indicators: Numbers and types of projects implemented; amount and proportion of project funds expended, proportion of physical construction completed.

Data: MIS reports.

Analysis: Comparison of actual and planned project types, expenditures, and physical completion.

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5. Is appropriate technical assistance being provided to local government units in revenue generation and recurrent cost financing?

Indicators: Existence of an LRM technical assistance action plan; number of GOE and contractor staff (or staff-days) devoted to technical assistance; number (or staff days) of technical assistance (by level of local government); quality and usefulness of assistance provided.

Data: Contractor progress reports; technical assistance records, materials, and monitoring (MIS) information; interviews with selected government officials and technical assistance providers; interviews with selected local level technical assistance recipients.

Analysis: Amount of technical assistance provided in total and on average at different government levels; percent of local government units receiving technical assistance; assessments of the quality and usefulness of technical assistance received.

6. Is appropriate technical assistance being provided to local government units and PVO's regarding PVO activities?

Indicators: Existence of a PVO technical assistance action plan; number of contractor staff (or staff-days) devoted to technical assistance; number (or staff days) of technical assistance (by level of local government and PVO's); quality and relevance of technical assistance provided.

Data: Contractor progress reports; technical assistance records, materials, and monitoring (MIS) information; interviews with selected government officials and technical assistance providers; interviews with selected PVO and local government technical assistance recipients.

Analysis: Amount of technical assistance provided in total and on average at different government levels and to PVO's; percent of local government units and PVO's receiving technical assistance; quality and usefulness of technical assistance received.

7. Is appropriate technical assistance being provided to local government units in the operation and maintenance of equipment and infrastructure and in the planning, design, and implementation of basic services and infrastructure subprojects?

Indicators: Existence of O&M and subproject implementation technical assistance action plans; number of GOE and contractor staff (or staff-days) devoted to technical assistance; number (or staff days) of technical assistance (by level of local government and technical assistance type); quality and relevance of technical assistance provided.

Data: Contractor progress reports; technical assistance records, materials, and monitoring (MIS) information; interviews with selected government officials and technical assistance providers; interviews with selected local government technical assistance recipients.

Analysis: Amount of technical assistance provided in total and on average at different government levels and by type; percent of local government units and PVO's receiving technical assistance (by type); assessments of the quality and usefulness of technical assistance received.

8. Is appropriate technical assistance being provided to local government units in implementing and using management information systems to improve local development activities?

Indicators: Existence of MIS technical assistance action plans; number of GOE and contractor staff (or staff-days) devoted to technical assistance; number (or staff days) of technical assistance (by level of local government); kinds and amounts of information processing equipment and software installed; amount and type of use of information processing equipment by local units; quality and use of MIS information produced.

Data: Contractor progress reports; technical assistance records, materials, and monitoring (MIS) information; interviews with selected government officials and technical assistance providers; interviews with selected local government technical assistance recipients.

Analysis: Amount of technical assistance provided in total and on average at different government levels and by type; percent of local government units receiving technical assistance (by type); comparisons of amount and kind of equipment and software installed with plans; assessments of the quality and usefulness of technical assistance received; assessments of the quality and usefulness of MIS information produced.

9. Are planned levels of training being provided in appropriate areas of local resource mobilization, PVO activities, operation and maintenance, subproject design and implementation, and management information systems? (44,630 provincial participants, 7,680 urban participants, 3600 PVO participants, 1800 Local Resource participants, and 5,640 operation and maintenance participants)

Indicators: Numbers of participants trained by type of training; quality and relevance of training curricula; Knowledge, attitudes and skills of training recipients.

Data: Contractor progress reports, training records, materials, and monitoring (MIS) information; training curricula; interviews with selected training providers; interviews with selected training participants; exit evaluations by training participants.

Analysis: Numbers and types of participants trained compared with planned training levels; types of training activities implemented; assessments of quality and relevance of training curricula; assessments of training by recipients.

10. Have provincial governate orientation workshops for popular council members been implemented as planned?

Indicators: Number of popular council members attending orientation workshops.

Data: Contractor reports; MIS reports.

Analysis: Comparison of actual and planned numbers of council members attending orientation workshops.

ANNEX II

BACKGROUND

The LD II Program builds upon five previous decentralization projects begun between 1978 and 1981 and grouped into the decentralization Sector Support Program (DSS I) in 1982. The overall DSS I program has "provided sizeable financial resources (\$600 million) to almost every unit of local government to enable them to provide improved basic services, increase their own discretionary funds through investment, and purchase heavy equipment. More than 6,000 subprojects have been implemented, 775 small loans made, and over 1,200 items of equipment delivered, with 800 more on order. Funds were also provided for large training programs (over 60,000 participants) and technical assistance" (LD II Project Paper, 8/85, pg. 6).

Previous Projects:

Development Decentralization I (DD I)

DD I provides about \$26.2 for a Local Development Fund (LDF) within the Organization for Reconstruction and Development of the Egyptian Village (ORDEV) and associated training and TA. The LDF loans money to rural village councils for income producing activities. The project is intended to increase the capacities and revenues of village councils throughout Egypt and to encourage cooperation between elected and executive councils in project selection, design, and implementation.

Basic Village Services (BVS)

BVS provides about \$300 million in technical assistance, training and grant funds primarily to 860 local councils representing about 3700 villages in 22 provincial governates. Related technical assistance, training, and funding is also provided at the district, governate, and ORDEV levels. BVS seeks to stimulate the decentralization of decision making in public investment projects and to strengthen administrative processes and management skills in villages, districts, and governates. Particular emphasis is placed on involving elected and executive village councils in the selection, design, and implementation of infrastructure projects such as potable water systems, feeder roads, small bridges, swamp filling, and lining of canals. As of March 31, 1985, approximately 4200 local infrastructure projects were being implemented.

Decentralization Support Fund (DSF)

DSF provides approximately \$100 million to 21 provincial governates to purchase American equipment to support local programs of public utilities, infrastructure, and social services. The project also includes related technical

assistance to help governates analyze their equipment needs and prepare equipment specifications as well as training in operating and maintaining the equipment purchased. As of March 31, 1985, approximately 1200 items of large equipment (such as dozers, graders, fire trucks, and refuse collectors) had been delivered and about 800 additional items were ordered.

Neighborhood Urban Services (NUS)

NUS provides about \$89 million to finance relatively modest (average LE 30,000) infrastructure improvements (paving, sewage, water, schools, health clinics, markets, youth centers, etc.) in selected low-income neighborhoods in Cairo, Alexandria, Giza, and Qaliubia. The project also provide related training and technical assistance to increase district, governate, and PVO capacities to select, design, and implement infrastructure improvements. Approximately three-fourths of the subprojects are implemented through district administrative units, while one-quarter (generally smaller activities) are implemented through PVO's.

Sector Development and Support (SDS)

SDS provides \$10 million to finance activities that cut across other DSS I projects, that broadly affect decentralization, and that strengthen key institutions involved with local development. The funds are programmed by a Sector Steering Committee (SSC), the GOE implementing agency, through proposals by interested government and non-governmental organizations. The funds will be used to finance training, management systems development and improvement, institutional development, data collection and evaluation, and policy research and discussion. As of March 31, 1985, SDS activities were just beginning.

Existing Information Systems:

Monitoring and information systems have been developed by technical assistance contractors for all DSS I activities. These include periodic information on planned subproject costs, disbursements to subprojects, expenditures by subprojects, and physical completion of subprojects. All of these systems are built upon and supplement existing Egyptian accounting systems that focus on fund transfers and use.

The DD I Information System

The major purpose of the DD I project was "to strengthen the financial viability and development capability" of provincial village councils by financing a Local Development Fund (LDF) that provides loans to village councils for income producing activities. Most of these

The EVS Information System

EVS is large and complex, with more than 4000 village-level subprojects, and monitoring the disbursement of funds and the implementation of subprojects was the first priority. The contractor (Chemonics) developed and implemented an extensive training and technical assistance program to improve data acquisition, processing, and transfer by villages, districts, governates, and ORDEV. The basis for this information system already existed in manual Egyptian accounting, planning, and follow-up reporting. Chemonics developed its own village-level subproject reporting forms and file system, trained district development officers in its use, and they in turn trained village officials. Chemonics also provided training and technical assistance to districts and governates in processing, checking, and using this information. Finally, Chemonics trained and assisted ORDEV staff in agregating and analyzing the information and preparing Quarterly Progress Reports (QPR's) for AID and GOE managers. (Chemonics other systems development and data collection activities will be described later.)

While EVS village files and other subproject records contain extensive data, coverage by the formal monitoring system is quite limited, with emphasis on tracking the disbursement and use of EVS funds. This includes information on subproject location (village, district, governate), subproject type, funds allocated, funds spent, physical completion, and subproject status (e.g., completed, underway, or not yet started). Information is not regularly compiled or analyzed on the specific facilities constructed, their use, or their social and economic impact.

Each quarter ORDEV, with Chemonics help, prepares a massive QPR report with hundreds of tables and graphics detailing information by governate, fiscal year, project type, etc., summarized in various ways (e. g., governate total disbursement comparisons, large projects, problem disbursements, etc., etc.) Information for each governate is returned to the local development offices in that governate, which in turn disseminate relevant information to districts and villages.

Chemonics has sought to institutionalize this information system in GOE offices at all levels. In addition to training and technical assistance, this has included intensive efforts at computerization. Information committees have been established at the village, district, and governate level. Computers have been installed in twelve governates and at ORDEV. Computer operators and information committee members have been trained. Arabic software has been developed and installed.

loans were for poultry, livestock, and transportation investments. Loans to villages for income producing activities will not be continued under LD II, although the project may later add a small private enterprise credit component.

The DD I contractor (Checci) developed an effective system for monitoring loan activity and performance. This included information on each project's location (by governate, district, and village), type, loan amount, local contribution, disbursement date, and repayment performance. It also included a system for generating monthly, quarterly, and semi-annual tables summarizing the loan portfolio by governate and project type, new loans, loan applications and decisions, repayment status by governate, summary and comparative graphics, etc. Although such information was collected, the reports do not include information on how project loans were used (what they constructed or paid for) or who benefited from these activities.

The LDF manual provides clear evidence of the contractor's efforts to make the information useful to managers. The manual not only describes what each table contains, but also how to use the table and what to look for. Despite this, reports are much too complex. Users must examine hundreds of tables to figure out what is useful and significant. The information has not been sufficiently tailored to meet the needs of particular decision-makers. In addition, several important indices (average maturity, average repayment status, loan delinquency rates, loan reflows and balances, etc.) are left for hand calculation. The system is being driven too much by the nature of the available information rather than by the needs of information users.

Although village, district, and governate offices collected and transmitted information, all of the computerization and analysis seems to have been done centrally, though whether this was done entirely by the contractor is unclear. The extent to which information was used in ORDEV, governate, markaz, or village level decision is also uncertain.

The DSF Information System

The DSF project has been monitored internally by AID/Cairo. The emphasis has been on tracking the disbursement of loans and the purchase and delivery of equipment and spare parts. The data effectively meets AID accountability requirements, but no regular information is collected on the use of equipment, its maintenance, or its social and economic impact.

Even so, the system is not yet operating as intended. Chemonics still assists ORDEV in checking and cleaning data and preparing quarterly reports. There is little evidence that computer systems installed in the Governates are being utilized effectively, if at all. While monitoring information may occasionally be used to identify problems for governate and district follow-up, there is little indication that such information influences subproject planning, design, or implementation.

In part, this reflects the recentness of computer installation and Arabic software acquisition. It also reflects AID and the GOE's emphasis on computerizing more governates at the expense of technical assistance and training. But the information analysis also remains too indiscriminate and complex. There has been little effort to identify the information needs of managers and to tailor the data to meet them. (The Chemonics staff has recently begun preparing more focused information summaries for AID at least.) These use of information is further limited by the narrow scope of information covered. What we have is a good information base and a developing Egyptian capability, but not yet a management information system.

Chemonics and ORDEV are also conducting a separate information gathering activity, the On-Line Systematic Inventory of Rural Services and Institutions (OSIRIS). OSIRIS uses key village-level informants to collect extensive data on services, institutions, and infrastructure in every village in Egypt. Training in OSIRIS forms and procedures has been completed and the first round of data have been collected. These data are now being compiled ORDEV/Chemonics staff before being returned to local governments for additions and corrections. If successfully implemented, OSIRIS could provide useful information for assessing local needs and for tracking changes in village status over time.

The NUS Information System

NUS is also a large and complex project and, like BVS, early emphasis was placed on tracking subproject implementation and progress. For NUS, in addition to routine financial data this included information on subproject purpose, physical construction, facility descriptions, and beneficiary use. Although the NUS contractor, Wilbur Smith, provided technical assistance and training in data collection, monitoring, and evaluation to district and governate employees, the contractor also took a direct role in site visits and reporting. Wilbur Smith also took responsibility for agregating and analyzing monitoring data and preparing monthly and periodic reports. In part, this reflected the lack of a national level urban counterpart, comparable to ORDEV for BVS.

Wilbur Smith's monthly and periodic reports provide analyze subprojects by location (governate and district), disbursement, subproject type, physical completion, and so on, similarly to the BVS reports. Wilbur Smith also uses the more extensive NUS data to calculate a variety of cost/benefit and cost/effectiveness ratios that provide at least a preliminary indication of project problems, progress, and impacts. However, these reports too are massive compilations of information that make little attempt to address specific decision needs of managers.

The NUS information system is also poorly institutionalized in Egyptian organizations. District and governate offices rely primarily on the existing, manual follow-up and reporting systems and seem to make little, if any, use of the NUS data. No computers have been installed or computer training provided in urban governates, but governate-wide information committees have recently been established, and the level of technical competence seems relatively high.

In summary, the monitoring systems developed in the DSS I have met AID's basic accountability and reporting requirements--no small achievement given the complexity of the projects. However, they are not yet effective as management information systems, either for AID, the GOE, or local governments. The information systems developed for BVS and NUS have rather different strengthes and weaknesses: While NUS system provides more extensive information, the contractor has made little effort to institutionalize information capabilities in Egyptian organizations. While the BVS contractor has made a concerted effort to institutionalize information capacities, the monitoring system remains quite limited.

Previous Evaluations:

The DSS I projects have been extensively evaluated, most projects several times. The focus and and rigor of these studies has varied, but many have proven quite useful and have played an important role in the program's evolution. Few, however have made any serious attempt to assess project impacts on local government capacities or on beneficiaries.

Purpose and goal achievement is, of course, difficult to assess, and evaluators are often satisfied with more limited measures of project results. But the DSS I evaluation faced special difficulties:

- o neither the projects nor the program developed a comprehensive monitoring and evaluation plan to marshal data from a variety of studies and sources to answer key impact questions;

- o Most of the evaluations relied on short-term visits by outside teams and provided little opportunity to collect more than impressionistic data;
- o The projects are large and complex, and the priority task for most evaluations was simply to assessing subproject implementation;
- o Project monitoring was oriented primarily towards financial tracking and provided little information on physical construction and virtually none on institutional or beneficiary impact;
- o no coordinated program of special studies or rapid assessments was developed to provide in-depth information on implementation and impact issues.

From DSS I to LD II:

Although Phase I of the decentralization program successfully improved local government capabilities and procedures for planning and implementing basic services, the LD II program makes a number of changes designed to address continuing problems and constraints, including the need to:

- o Create a high level forum, supported by a qualified staff, to analyze and influence programs and policies affecting local development;
- o Improve the local development planning and budgeting process to increase coordination among service and development agencies and encourage popular participation;
- o Improve or supplement existing technical capacities for project design for more complex service systems, particularly water and sanitation;
- o Assure that existing basic service facilities are effectively operated and adequately maintained;
- o Promote fiscal decentralization by mobilizing more adequate local resources for development; and
- o Improve human resources by developing institutions that can effectively upgrade professional and technical skills.

Major organizational changes in the LD II program include:

1. The creation of a new high level policy-making body, the Interministerial Local Development Committee (ILDC), including ministerial representation from all key government agencies;
2. The creation of a full-time Technical Secretariat (AMANA) to the ILDC responsible for analyzing program and policy issues and coordinating technical assistance from all sources to local government;
3. The creation of Governate Local Development Committees (GLDC's), including the Governor (or Secretary-General), undersecretaries or heads of relevant directorates, and chairs of appropriate popular council committees, to oversee LD II program formulation and implementation;

4. The appointment of a full-time LD II coordinator in each governate reporting directly to the Governor and the GLDC;

Major programmatic changes in LD II include:

1. A restructuring of the program around two major components: the Basic Services Delivery System (BSDS) aimed at strengthening both urban and rural capacities to provide and sustain the delivery of basic services and a Local Resource Mobilization System (LRM) aimed at increasing the financial resources available to local government and improving the service delivery capacity of PVO's and private enterprises;
2. a strong emphasis on maintaining, improving, and expanding existing facilities and infrastructure (assuring that adequate maintenance facilities exist and that existing infrastructure is being appropriately operated and maintained before new infrastructure investments are made);
3. A GOE contribution to investment and maintenance funds that must be deposited before AID funds are distributed;
4. Approval for governates to reserve up to 25% of the funds centrally to support local level maintenance and investment activities; after the first year these funds can be use for importing capital equipment not available on the local market;
5. A requirement that each district prepare an Annual Maintenance Plan for all Phase I subprojects and that adequate local maintenance facilities exist or be implemented before other subprojects will be funded

ANNEX III

REMAINING ISSUES AND POTENTIAL PROBLEMS

Contractor coordination:

Although the AMANA, urban, and rural contractors play lead roles, all of the LD II contractors have at least some monitoring and evaluation responsibilities. Their monitoring activities will need to be carefully coordinated for the MIS to function as a reasonably integrated system.

Multiple monitoring needs:

The MIS system incorporates a number of special data collection activities, including a maintenance needs assessment, maintenance centers monitoring, training monitoring, local resource mobilization surveys, and infrastructure surveys. Trying to collect all of this information may well make the MIS too complicated to implement effectively. Care should be taken to keep the MIS as simple as possible by including only information that will, in fact, be used. A schedule for phased implementation of various monitoring components should also be developed. Consideration should be given to dropping some components of the monitoring system (such as the annual LRM survey) and relying instead on focused special studies.

Lack of a GOE urban coordinator

While ORDEV coordinates provincial development activities and information, there is no comparable coordinating institution on the urban side. The monitoring and evaluation plan assumes that the AMANA staff will be able to aggregate and analyze data received from individual urban governates, but the urban implementation contractor may continue playing an important role for some time.

Coordinating information training:

Staff from the AMANA, the Saggara Institute, the urban governates, and the provincial governates will all need similar training in computer operation, software implementation, and information processing and use. These training activities should be coordinated and, whenever possible, conducted jointly.

Institutionalizing information capabilities in urban governates:

DSS I made little attempt to institutionalize MIS or computer capabilities in urban governates and districts. This will require an intensive effort in LD II, but may still lag behind provincial governates.

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SCOPE OF WORK TASKS FOR MONITORING AND EVALUATION ACTIVITIES
BY TECHNICAL ASSISTANCE CONTRACTORS

Gerald M. Britan
Center for Development Information and Evaluation
Agency for International Development

February 1986

I. AMANA Contractor

A. MIS

1. Assist AMANA in preparing summary tables and analyses for provincial MIS data delivered by ORDEV.
2. Assist AMANA in aggregating urban MIS data delivered by urban governates and preparing summary tables and analyses.
3. Assist AMANA in combining MIS data, summaries, and analyses in a Quarterly Progress Report for AID and the ILDC.
4. Assist AMANA in preparing tailored reports from the MIS data to address AID and ILDC decision needs and concerns.

B. Institutionalizing Computer and Analysis Capabilities

1. Assist the AMANA staff in purchasing and installing microcomputer hardware and software for policy, evaluation and MIS analysis. To the extent possible, provide software capabilities in both Arabic and English.
2. Provide, or arrange for the provision of training (in coordination with other contractors) in computer operation and software use, including workshops and courses on basic computer operations, DOS, DB III, MIS reporting, Lotus, and SPSS.
3. Provide continuing on-the-job technical assistance to the AMANA staff in computer operation and software use.
4. Provide workshops on computers and information for senior AMANA and ILDC officials

C. Special Studies

1. Design and coordinate special studies conducted by a primary Egyptian subcontractor experienced in social research and by other expatriate and Egyptian subcontractors experienced in economic and financial analysis, local resource mobilization, and operation and maintenance.

D. Annual Evaluation Review

1. Assist AMANA in summarizing and synthesizing MIS reports, special study reports, and other policy analyses and materials into an Annual Evaluation Review for AID and the ILDC.

II. Provincial Implementation Contractor

A. MIS

1. Develop (in coordination with urban contractor and in consultation with O&M, LRM, & AMANA contractors) new MIS reporting forms and DBase III information formats and data entry procedures.
2. Train village and markaz level information officers in collecting and manually recording MIS information.
3. Train governate information staff in entering data into the computer, checking the data, and transmitting the data to ORDEV and provide necessary technical assistance, each quarter.
4. Provide technical assistance to governate information staff in preparing tailored MIS reports to meet the decision needs and concerns of governate, markez, and village officials.
5. Train ORDEV staff in new data entry and analysis procedures and in transmitting data to the AMANA, and provide necessary technical assistance each quarter.
6. Provide technical assistance to ORDEV information staff in preparing tailored MIS reports to meet MLG, ORDEV, and local government decision needs and concerns.

B. Infrastructure Maintenance Needs Survey

1. Develop (in coordination with urban contractor and in consultation with O&M contractor) reporting forms and DBase III information format and data entry procedures.
2. Train village and markaz level information officers in collecting and manually recording maintenance needs information, and provide necessary technical assistance each year.
3. Train governate information staff in entering data into the computer, checking the data, and transmitting the data to ORDEV, and provide necessary technical assistance each year.
4. Provide technical assistance to governate information staff in preparing tailored maintenance needs reports to meet the decision needs and concerns of governate, markez, and village officials.

5. Train ORDEV staff in data entry, analysis, and transmittal of maintenance needs information and provide necessary technical assistance each year.
 6. Provide technical assistance to ORDEV information staff in preparing tailored maintenance needs reports to meet MLG, ORDEV, and local government decision needs and concerns.
- C. Maintenance Centers and Equipment MIS
1. Consult with the O&M contractor in designing and implementing a maintenance centers and equipment MIS and in transferring relevant data to governate information offices.
 2. Assist ORDEV in aggregating and analyzing maintenance centers and equipment MIS and in preparing tailored MIS reports to meet the decision and information needs of ORDEV, AMANA, AID, and local government officials.
- D. Basic Services and Infrastructure Survey
1. Develop (in coordination with urban contractor and in consultation with the AMANA) reporting forms (a simplified version of the existing OSIRIS system) and DBase III information format and data entry procedures.
 2. Train village and markaz level information officers in collecting and manually recording basic services and infrastructure information, and provide necessary technical assistance each year
 3. Train governate information staff in entering data into the computer, checking the data, and transmitting the data to ORDEV, and provide necessary technical assistance each year.
 4. Provide technical assistance to governate information staff in preparing tailored infrastructure survey reports to meet the decision needs and concerns of governate, markez, and village officials.
 5. Train ORDEV staff in data entry, analysis, and transmittal of basic services and infrastructure information and provide necessary technical assistance each year.
 6. Provide technical assistance to ORDEV information staff in preparing tailored basic services and infrastructure status and needs reports to meet MLG, ORDEV, and local government decision needs and concerns.

E. Local Resource Mobilization Survey

1. Develop (in consultation with the LRM and urban contractors) reporting forms and DBase III information format and data entry procedures for annual assessments of local resource mobilization performance by local governments.
2. Train district and village information officers in collecting and manually recording LRM information, and provide necessary technical assistance each year
3. Train governate information staff in entering data into the computer, checking the data, and transmitting the data to ORDEV and provide necessary technical assistance each year.
4. Provide technical assistance to governate information staff in preparing tailored LRM performance reports to meet the decision needs and concerns of governate, district, and village officials.
5. Train ORDEV staff in data entry, analysis, and transmittal of LRM performance information to the AMANA and provide necessary technical assistance each year.
6. Provide technical assistance to ORDEV information staff in preparing tailored LRM performance reports to meet MLG, ORDEV, and local government decision needs and concerns.

F. Institutionalizing Computer and Analysis Capabilities

1. Assist ORDEV and governate staff in purchasing and installing microcomputer hardware and software. To the extent possible, provide software capabilities in both Arabic and English.
2. Provide, or arrange for the provision of training (in coordination with other contractors) in computer operation and software use, including workshops and courses on basic computer operations, DOS, DB III, MIS reporting, and Lotus.
3. Provide continuing on-the-job technical assistance to the ORDEV and governate staff in computer operation and software use.
4. Provide workshops on computers and information for managers for senior ORDEV, MLG, and governate officials

III. Urban Implementation Contractor

A. MIS

1. Develop (in coordination with the provincial contractor and in consultation with O&M, LRM, & AMANA contractors) new MIS reporting forms and DBase III information format and data entry procedures.
2. Train district level information officers in collecting and manually recording MIS information.
3. Train governate information staff in entering data into the computer, checking the data, and transmitting the data to the AMANA, and provide necessary technical assistance each quarter.
4. Provide technical assistance to governate information staff in preparing tailored MIS reports to meet the decision needs and concerns of governate and district officials.
5. Consult with the AMANA staff and contractor on procedures for entering, aggregating, and analyzing governate level data and preparing tailored reports to meet the decision and information needs of AMANA, ILDC, AID, and governate officials.

B. Infrastructure Maintenance Needs Survey

1. Develop (in coordination with provincial contractor and in consultation with O&M contractor) reporting forms and DBase III information format and data entry procedures.
2. Train district level information officers in collecting and manually recording maintenance needs information, and provide necessary technical assistance each year
3. Train governate information staff in entering data into the computer, checking the data, and transmitting the data to the AMANA, and provide necessary technical assistance each year.
4. Provide technical assistance to governate information staff in preparing tailored maintenance needs reports to meet the decision needs and concerns of governate and district officials.

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5. Consult with the AMANA staff and contractor on procedures for entering, aggregating, and analyzing governate level maintenance data and preparing tailored reports to meet the decision and information needs of AMANA, ILDC, AID, and governate officials.

C. Maintenance Centers and Equipment MIS

1. Consult with the O&M contractor in designing and implementing a maintenance centers and equipment MIS and in transferring relevant data to governate information offices.
2. Assist AMANA and the AMANA contractor in aggregating and analyzing maintenance centers and equipment MIS and in preparing tailored MIS reports to meet the decision and information needs of ORDEV, AMANA, AID, and local government officials.

D. Basic Services and Infrastructure Survey

1. Develop (in coordination with the provincial contractor and in consultation with the AMANA) reporting forms (based on previous urban services and infrastructure surveys) and DBase III information format and data entry procedures.
2. Train district level information officers in collecting and manually recording basic services and infrastructure information, and provide necessary technical assistance each year
3. Train governate information staff in entering data into the computer, checking the data, and transmitting the data to the AMANA, and provide necessary technical assistance each year.
4. Provide technical assistance to governate information staff in preparing tailored infrastructure survey reports to meet the decision needs and concerns of governate and district officials.
5. Consult with the AMANA staff and contractor on procedures for entering, aggregating, and analyzing governate level maintenance centers and equipment data and preparing tailored reports to meet the decision and information needs of AMANA, ILDC, AID, and governate officials.

E. Local Resource Mobilization Survey

1. Develop (in consultation with the LRM and provincial contractors) reporting forms and DBase III information format and data entry procedures for annual assessments of local resource mobilization performance by local governments.

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2. Train district information officers in collecting and manually recording LRM information, and provide necessary technical assistance each year
 3. Train governate information staff in entering data into the computer, checking the data, and transmitting the data to the AMANA, and provide necessary technical assistance each year.
 4. Provide technical assistance to governate information staff in preparing tailored LRM performance reports to meet the decision needs and concerns of governate and district officials.
 5. Consult with the AMANA staff and contractor on procedures for entering, aggregating, and analyzing governate level LRM performance data and preparing tailored reports to meet the decision and information needs of AMANA, TLDC, AID, and governate officials.
- F. Institutionalizing Computer and Analysis Capabilities
1. Assist governate staff in purchasing and installing microcomputer hardware and software. To the extent possible, provide software capabilities in both Arabic and English.
 2. Provide, or arrange for the provision of training (in coordination with other contractors) in computer operation and software use, including workshops and courses on basic computer operations, DOS, DB III, MIS reporting, and Lotus.
 3. Provide continuing on-the-job technical assistance to the governate staff in computer operation and software use.
 4. Provide workshops on computers and information for senior managers and officials

IV. Operation and Maintenance Contractor

1. Develop MIS reporting forms and DBase III information format and data entry procedures (in consultation with urban and provincial contractors) for equipment maintenance needs and spare parts inventory.
2. Train maintenance center staff in collecting and manually recording MIS information.
3. Assist maintenance centers in purchasing and installing microcomputer hardware and software. To the extent possible, provide software capabilities in Arabic.
4. Provide, or arrange for the provision of training (in coordination with other technical assistance contractors) in computer operation and software use, including workshops and courses on basic computer operations and appropriate MIS software.
5. Train maintenance center staff in entering data into the computer, checking the data, and transmitting the data to governate information offices each quarter.
6. Provide continuing on-the-job technical assistance to the maintenance staff in computer operation and software use.

V. Local Resource Mobilization Contractor

1. Develop (in consultation with the provincial and urban contractors and the AMANA) reporting forms and DBase III information format and data entry procedures for annual surveys of LRM performance by local governments. Regular MIS surveys will then be implemented by the urban and provincial contractors.

VI. Training Contractor

1. Develop (in consultation with other contractors and the AMANA) reporting forms and DBase III information format and data entry procedures for a training MIS, covering course content, duration, target audience, attendance, etc.).
2. Develop (in consultation with other contractors and the AMANA) reporting forms and DBase III information format and data entry procedures for training evaluations by participants.
3. Disseminate forms to training providers and provide necessary technical assistance in collecting and transmitting data to Saqqara Institute information staff.
4. Assist Saqqara Institute information center in purchasing and installing microcomputer hardware and software. To the extent possible, provide software capabilities in Arabic and English.
5. Provide, or arrange for the provision of training (in coordination with other technical assistance contractors) in computer operation and software use, including workshops and courses on basic computer operations and appropriate MIS software.
6. Train Saqqara Institute information staff in entering data into the computer, aggregating and analyzing the data, and preparing tailored MIS reports to meet the information and decision needs of AID, the AMANA, Saqqara Institute, and local government officials.
7. Provide continuing on-the-job technical assistance to information center staff in computer operation and software use.

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IMPLEMENTING THE LD II M&E PLAN

Evaluation activities (major evaluations, annual program reviews, and special studies) can be implemented essentially as planned, but the MIS system still needs substantial specification and revision. The next steps for the contractor or internal consultants include:

1. Simplifying the core subproject monitoring system.

The core project monitoring system should be as simple as possible. Each item should be examined to assess whether the information will be used and whether it can be obtained. Information on subproject use and maintenance needs would, for example, seem a high priority, whereas information on local funding for subprojects may be difficult to get. (Better information on local funding might be obtained through focused special studies that spend several days examining each village's records and interviewing village officials):

2. Operationalizing measures.

The consultants should suggest ways of measuring each monitoring variable that are within the capabilities of local data collectors. Some variable measures are quite straight-forward (e.g., financial factors), others are more complex (how, for example, should "maintenance needs" be categorized?) Guidelines will also be needed for the "subproject type," "subproject narrative," "subproject use," etc.

3. Other MIS components.

The consultants should consider whether any of the supplementary MIS components (maintenance centers, maintenance needs, local resource mobilization, and training) can be simplified or should be eliminated. The aggregation and analysis of maintenance center data, for example, might be handled directly by the O&M contractor outside the regular MIS system. Similarly, the training MIS might be the direct responsibility of Saqqara and its contractor.

4. Implementing MIS components.

The consultants should consider how new MIS activities should be phased in. This includes recommendations on how new items, components and analysis responsibilities should be handled and on how existing and completed projects should be updated. Some components, such as LRM monitoring, may not be worth implementing for some time and some new responsibilities, may take some time to introduce.

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5. Meeting Management Information Needs.

To assure that the LD II MIS more fully meets management information needs, the consultants should make a concerted effort to specify those needs, and the information and analysis necessary to meet them, at all government levels. They would, to the extent possible, specify the content, analysis, and format of the information that specific managers would receive.

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