

PD-AAW-302

# A.I.D. EVALUATION SUMMARY PART I

(BEFORE FILLING OUT THIS FORM, READ THE ATTACHED INSTRUCTIONS)

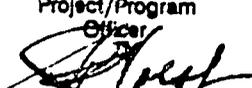
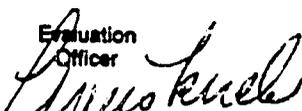
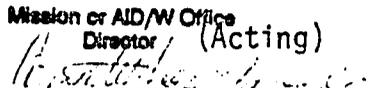
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<b>A. REPORTING A.I.D. UNIT:</b> <u>PRE/PR</u> (Mission or AID/W Office) (ES# _____)		<b>B. WAS EVALUATION SCHEDULED IN CURRENT FY ANNUAL EVALUATION PLAN?</b> yes <input type="checkbox"/> slipped <input checked="" type="checkbox"/> ad hoc <input type="checkbox"/> Eval. Plan Submission Date: FY <u>86</u> Q ____		<b>C. EVALUATION TIMING</b> interim <input checked="" type="checkbox"/> final <input type="checkbox"/> ex post <input type="checkbox"/> other <input type="checkbox"/>	
<b>D. ACTIVITY OR ACTIVITIES EVALUATED</b> (List the following information for project(s) or program(s) evaluated; if not applicable, list title and date of the evaluation report)					
Project #	Project/Program Title (or title & date of evaluation report)	First PROAG or equivalent (FY)	Most recent PACD (mo/yr)	Planned LOP Cost ('000)	Amount Obligated to Date ('000)
N/A	Revolving Loan Fund Projects Wafabank (Morocco) Kenya Commercial Finance Co. Leather Industries of Kenya (Kenya) Antigua Shrimpery (Antigua)				

E. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR		
Action(s) Required	Name of officer responsible for	Date Action to be
N/A		

**F. DATE OF MISSION OR AID/W OFFICE REVIEW OF EVALUATION:** mo 6 day \_\_\_\_ yr 87

**G. APPROVALS OF EVALUATION SUMMARY AND ACTION DECISIONS:**

Project/Program Officer Signature:  Typed Name: Sean Walsh Date: <u>8/19</u>	Representative of Borrower/Grantee Signature: -- Date: _____	Evaluation Officer Signature:  Carolyn Weiskirch Date: <u>Aug 87</u>	Mission or AID/W Office Director (Acting) Signature:  Compton Chase-Lansdale Date: <u>8/20/87</u>
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H. EVALUATION ABSTRACT (do not exceed the space provided)

The research that forms the basis of this report was carried out by MSI over a five month period from October, 1986 through February, 1987 (see Annex 1 for team composition). Included in this research were the following tasks:

- \* review of available documentation on relevant projects in the PRE portfolio and interviews with Investment Officers;
- \* identification and review of relevant experiences of other donors;
- \* conduct of site visits to four projects to review recipient organization records; hold discussions with borrowers, their competitors and collateral institutions; visit representative sample of sub-borrowers; prepare report and conduct debriefing for local USAID Mission staff; and
- \* preparation of final document and case studies for submission to PRE.

Each of the four case studies was carried out by a two person team that spent from one to three weeks investigating the case in detail to derive evaluative information and lessons learned concerning operational issues, development and institutional impact, sustainability and replicability of the strategies employed in each project.

ABSTRACT

I. EVALUATION COSTS

1. Evaluation Team Name	Affiliation	Contract Number QR TDY Person Days Delivery Order #1	Contract Cost QR TDY Cost (US\$)	Source of Funds
Lawrence Cooley	MSI		\$107,568	AID/PRE
Jalil Shoraka				
Robert Rabatsky				
Jean de la Geroday				
Robert Strauss				
W. Thomas Kelly				
Timothy Alexander				

2. Mission/Office Professional  
Staff Person-Days (estimate) \_\_\_\_\_

3. Borrower/Grantee Professional  
Staff Person-Days (estimate) \_\_\_\_\_

COSTS

# A.I.D. EVALUATION SUMMARY PART II

## J. SUMMARY OF EVALUATION FINDINGS, CONCLUSIONS AND RECOMMENDATIONS (Try not to exceed the 3 pages provided)

Address the following items:

- Purpose of activity(ies) evaluated
- Purpose of evaluation and Methodology used
- Findings and conclusions (relate to questions)
- Principal recommendations
- Lessons learned

Mission or Office: AID/PRE/PR

Date this summary prepared: August 1987

Title and Date of Full Evaluation Report: Lessons Learned from Experience: The Design and Implementation of Commercial Lending Projects by A.I.D.'s Bureau for Private Enterprise, and 4 case studies - Wafabank, Kenya Commercial Finance Co., Leather Industries of Kenya and Antigua Shrimpery. Completed Spring 1987.

As an experimental program intended to perform a catalytic role with the Agency, PRE collects, analyzes and disseminates systematic information on the impact and cost-effectiveness of its efforts. A recent report to PRE proposed that these needs be met by implementing a monitoring and evaluation system with three basic components:

- \* to provide basic management information, an automated monitoring system with information on key financial and development indicators and suitable for production of real time, monthly and quarterly portfolio analyses; action alerts on missing documentation; and detailed project status reports on an "as needed" basis. These reports would be primarily for the use of PRE personnel.
- \* to provide for accountability and overall assessment of program impact, an Annual Report modeled on corporate annual reports and directed to Agency Management and Congress. This Annual Report should include:
  - a letter from the A.I.D. Administrator presenting the rationale and accomplishments of the program to date, discussing current program emphases, and projecting future activities;
  - a "year in review" text presenting a more specific discussion of PRE Revolving Fund activities in the past fiscal year;
  - financial reports (balance sheet, income statement, and statement of change in financial position) for the Revolving Fund portfolio.

to provide a vehicle for disseminating lessons learned, a series of periodic assessments of the "models" developed and/or tested by PRE. These assessments would be based on the evaluation of selected field projects. While using individual projects as the primary source of data for these assessments, the "model", and not the individual project, should be the unit of analysis in these reports to maximize the transferability of lessons learned. These assessments would be intended principally for use by A.I.D. personnel and officials of other development agencies.

A fuller description of this monitoring and evaluation system can be obtained from PRE/PR. This report represents a first attempt to perform the type of periodic assessment of financing models called for as the third element of the PRE's new monitoring and evaluation system.

This report analyzes the Bureau's initial experience to date in both its direct loan program and its loans to intermediate financial institutions. It is based primarily on field assessments of four projects:

- Leather Industries of Kenya (direct loan)
- Antigua Shrimpery Ltd. (direct loan)
- Kenya Commercial Finance Company (government intermediate financial institution)
- WAFABANK [Morocco] (private intermediate financial institution)

The report also draws on experience gained from other comparable projects in the portfolios of PRE's Investment Office, various USAIDs, the World Bank and the International Finance Corporation.

The intent of this document is to assist in the dissemination of lessons learned -- both positive and negative -- from PRE's initial experience. As such, the primary intended audience for the document is field practitioners charged with designing and implementing private sector activities. The document should also be of considerable interest to researchers and policy makers concerned with planning or assessing efforts to promote the private sector.

ATTACHMENTS

**K. ATTACHMENTS (List attachments submitted with this Evaluation Summary; always attach copy of full evaluation report, even if one was submitted earlier)**

1. Lessons Learned from Experience: The Design and Implementation of Commercial Lending Projects by A.I.D.'s Bureau for Private Enterprise.
2. WafaBank, IFI Loan Case Study
3. Kenya Commercial Finance Co., IFI Loan Case Study
4. Leather Industries of Kenya, Direct Loan Case Study
5. Antigua Shrimpery, Direct Loan Case Study

**L. COMMENTS BY MISSION, AID/W OFFICE AND BORROWER/GRANTEE**

As with all lessons derived from experience, the conclusions and recommendations of this document are necessarily tentative having been drawn from relatively few cases each of which began implementation less than five years ago. It is our intention to continue to monitor these projects and to collect comparable data on additional projects in an effort to enrich our understanding of what works and why.

MISSION COMMENTS ON FULL REPORT