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MONITORING PROGRAM PERFORMANCE: USAID/EL SALVADOR

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CHAPTER I. INTRODUCTION

A. PURPOSE AND SCOPE OF WORK

The primary purpose of this technical assistance and this report is to help USAID/EI Salvador move closer toward establishing a monitoring and evaluation system for each of its five strategic objectives that comprise the Program Performance Assessment System (PPAS). The secondary purpose of this report is to provide preliminary feedback to the Mission on substantive issues that emerged during our technical assistance visit.

When the M&E system is installed, USAID should be able to collect the data that is needed on a regular basis to assess and report the impact of its portfolio in its five strategic program areas. This information will be used for the Mission's own management purposes and for reporting to AID/Washington and Congress.

This report documents the result of a six-person TDY conducted during the two weeks of September 21 through October 2. The major objectives of the technical assistance were as follows:

(1) Acquaint Mission staff with what a program-level monitoring and evaluation system is, and how it is to be used.

(2) Acquaint Mission staff with the LAC Bureau's concern about impact of A.I.D. programs on the poor, and on women (who by and large constitute the majority of the nation's poor), and discuss possible methodologies for collecting these data based on the Mission's ongoing data collection activities.

(3) Revalidate or refine program outputs, indicators, and sources of information for each strategic objective.

(4) Identify and discuss next steps that the Mission needs to take in order to complete the M&E plans and the overall Mission PPAS.

(5) Discuss the possibilities for automating and linking the Mission SAR and PPAS.

B. DESCRIPTION OF THE TWO-WEEK PROCESS

The TDY began with two four-hour workshops for Mission staff on September 22. (The workshop was repeated twice in one day due to the size of the Mission.) The purpose of the workshop was to acquaint staff with LAC Bureau requirements for developing program level M&E systems, and for measuring the impact of U.S.A.I.D. programs on the poor and women. A workshop exercise was held to begin formulating key managers' questions regarding each of the strategic objectives. The staff broke out into the Strategic Objective Work Groups that they were assigned to. This exercise served as a mechanism to begin focusing and refining the

strategic objective indicators, and to refamiliarize staff with some of the outstanding issues related to each of the strategic objectives.

Staff from each strategic objective work group met for a total of three meetings with TDY personnel. Erhart Rupprecht, the team leader, met with staff associated with the National Recovery Program, S.O. 1; Randy Lintz met with staff associated with S.O. 2 on equitable economic growth; Elizabeth Stevens met with staff associated with the democratic initiatives program, S.O. 3; Pat Martin and Jean Meadowcroft met with staff associated with the health and education program, S.O. 4; and Pat Vondal met with the environment and natural resources management program staff, S.O. 5.

During these meetings, program outputs and indicators at the strategic objective and program output levels were reexamined. Sources for data were discussed as was the frequency of data collection for each indicator. Some S.O. work groups recommended undertaking special evaluation studies to test the linkage between articulated program strategies and the achievement of the strategic objective. Where possible, baseline data were incorporated into an M&E plan for each strategic objective, and targets for future performance were developed. Where baseline data were not available, plans were developed and dates set for collection of these data. The outcome of these discussions is presented in separate sections in this report.

On the final day of the TDY, the team met with senior mission staff to discuss costs associated with any special studies that were recommended, major changes that were made to the strategic objectives, and recommendations for institutionalizing and operationalizing the strategic objective work groups.

C. RECOMMENDATIONS FOR NEXT STEPS

Implementing the Monitoring and Evaluation Plan

The following are recommended for implementing the monitoring and evaluation plan by the Mission:

- 1) Adopt a systems approach to monitoring and evaluation of Mission projects and programs.

Establish a Mission wide-committee to coordinate M&E activities such as household surveys, opinion polls, attitudinal surveys, special studies and other selected inter-strategic objective monitoring and evaluation themes. This would improve information exchange on scheduling and resource allocation to these activities.

Integrate current M&E efforts into the proposed evaluation system i.e. monitor project-level M&E activities that contribute to the strategic objective during the project review (SAR) process). (The M&E Plans developed during this TDY provide the information for this to occur). Continue with the identification of data needs and linkages among projects and within programs as well as among programs to optimize data collection efforts.

Prepare a Mission Order on M&E to establish roles and responsibilities of Mission staff for M&E.

Develop a mission-wide schedule of evaluation activities by strategic objective to facilitate the coordination of M&E activities. This mission-wide schedule would be developed by the coordinating committee mentioned above.

Maintain contact with LACDPP on the development of automated SAR system. Using a data-base management software will link projects to strategic objectives, program outputs and indicators. It will highlight project outputs that are linked to the achievement of the strategic objective. It will also permit the mission to call up evaluation schedules by program strategic objective, date and responsible office.

2) Continue in the future to review monitoring and evaluation plans of each strategic objective for:

- Accuracy and currency of data
- Reasonableness of the processes and activities in terms of
 - schedules
 - costs
 - resource requirements
 - data availability
 - resource and program changes

Management and Cost Implications of the M&E System

1. We recommend that the Mission consider using the strategic objectives as a unifying framework for portfolio management.

 The Strategic Objectives framework is now being used by AID/W for Agency planning, budget, and portfolio management documents. For the LAC Bureau, these documents are the Program Objectives Document (POD) which sets out the Mission strategic objectives, the Action Plan which will be used to report on program performance and impact by strategic objective, the ABS, and the Semi-annual Report (SAR). LAC/DR recently sent out guidance on the SAR format which asked that Missions indicate how the project supports the Strategic Objective. These concepts are being applied in all the regional bureaus and will be applied in the future to functional (Central Bureaus) as well as in the NIS and Eastern Europe programs.

Several LAC Missions, among them Bolivia, Ecuador, and Guatemala, have established Strategic Objectives Committees or Teams (SOC) with the responsibility for the following:

- Strategic objective and program output level indicators are measurable, valid, and the data is tracked.
- Identify what mechanisms (i.e evaluations, on-going data collection systems,

special surveys etc.) will be used to generate the data to report in the SAR and Action Plan.

- Taking part in project design review committees to assess the contribution of the proposed project to strategic objective and supporting program outputs.
 - Take part in SAR reviews which are structured around the strategic objectives.
2. Responsibility must be clearly assigned to insure that:
- M&E plans are implemented by strategic objective and,
 - data collection, assembly, analysis and reporting on program performance occur at the strategic objective level.
 - overall coordination of M&E and program performance occurs

Recommendation:

1) That the Mission formally assign responsibility to an individual(s) on each of the strategic objectives teams for implementing the M&E plan and reporting on performance. The current informal system will place a heavy burden on the Program Office for ensuring that program monitoring activities needed for program performance reporting occur.

2) That the Mission consider assigning a full-time person in DPP to oversee the overall implementation of the M&E plans. As the system is implemented and the automated SAR and portfolio management system is put in place, this position could be eliminated and evaluation functions consolidated as part of the function of existing staff.

3. Personnel Requirements

Implementation of the M&E system will have minimal personnel implications. It is suggested that the Mission consider the following:

- 1) Assigning a full-time person (contractor) in DPP as mentioned above.
- 2) Assigning a full-time person in IRD to manage the implementation of the M&E plan for the NRP program. A significant amount of coordination with other offices will be required to implement the plan and to track the special surveys that are proposed to monitor impact and performance of the NRP.

4. Additional Costs of Implementing the M&E Plans

The following are the additional costs of implementing the M&E plans:

Strategic Objective 1:

The dearth of baseline information and high visibility of this program require several special surveys targeted on the NRP zones:

DI Attitudinal Survey (\$4,500 per survey: 93, 95 and 97)	\$ 13,500
Household Survey (marginal cost \$50,000 per yr: 93-97)	250,000
Ex-combatants Surveys (\$42,000 per survey: 93, 95, and 97)	126,000
Trainees Employed Survey (\$5,000 per survey: 93-97)	25,000
Land Bank Clients (\$1,500 per survey: 94 and 97)	<u>3,000</u>
Sub-total	417,500

Household Survey (\$800,000 per year full costs: 94-97)	\$3,200,000
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Strategic Objective 2:

Poverty Survey (\$188,000 per survey: 93 and 96)	376,000
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Strategic Objective 3:

Prenatal care and delivery Study	50,000
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Total without Full Cost Coverage of Household Survey	843,500
Total with Full Cost Coverage of Household Survey	3,843,500

CHAPTER II. MONITORING AND EVALUATION PLANS FOR EACH OF THE MISSION'S FIVE STRATEGIC OBJECTIVES

A. INTRODUCTION TO THE PLANS

This chapter lays out the information needed for monitoring and evaluating performance for each of the Strategic Objectives in USAID/El Salvador's PPAS. The following is a brief description of the items presented in the M&E tables.

Critical Assumptions: events beyond the control of the Mission which must hold, or occur, in order for the achievement of the strategic objective to be realized. For example, in a strategic objective concerning agricultural production increases, it is common to list as a critical assumption that normal weather patterns prevail and no natural disasters occur during the life of the program. Other critical assumptions have to do with relying on other donors to provide a portion of the financial resources needed for program realization, or for a ministry to pass certain legislation. If the critical assumptions are carefully thought out, the Mission would be well served to monitor these as well.

Indicator: a concise statement of what is going to be measured to monitor the achievement of a strategic objective or program output.

Unit of Measurement: precise clarification of the indicator so that there is no ambiguity about what is being measured. For example, does the indicator measure impact on all children, children under five, or children between 2 and 5 years of age? What precisely is a small farm? Is land being measured in hectares or some other unit?

Baseline Information: the starting value (or benchmark) for each performance indicator. The baseline frequently represents the latest date for which actual data on the indicator is available. For example, if "% agriculture as a share of GDP" is the indicator, the current level for 1992 or the next closest data point from a previous year represents the baseline. The dates for the baseline data will vary considerably across indicators (i.e., some in 1992, some in 1991, and so forth) depending upon project time schedules, availability, or the need for a USAID special study.

Targets: projections of the future value for an indicator. For an Strategic Objective, the projection should be 5 to 8 years in the future. For example, the expected value for the agricultural production example cited above refers to the expected percentage agriculture will contribute to GDP sometime in 1998. This wide "window" was selected to reflect the fact that many programs take some time for their impacts to surface at the Strategic Objective level. The measurement qualities of some performance indicators show little change from year to year regardless of the impact. This is called measurement "insensitivity." In contrast, expected results associated with Program Outputs are projected for 1 to 5 years beyond the baseline.

Data Sources: the specific sources of data for the indicator. For example, is it a government agency, extension agents' records, satellite photos, an organization conducting a special survey, or another donor?

Method/Approach: the specific method used to collect the information. For example, will extension agents make visual observations and record their observation on a standardized report form? Will monthly sampling of water sources be done to measure water quality? Will satellite photos be used to interpret the level of deforestation?

How Often: the frequency and timing of data collection (not data reporting). For example, will data be collected at harvest time on an annual basis? Will water samples be taken during the rainy and dry season? Will surveys on environmental awareness be conducted every year — or every two years? The cost of data collection and interpretation should be factored into this decision, as well as how time sensitive the indicator is. For example, if you know that you will not see changes in attitudes about human rights on an annual basis, set the frequency of surveys at a longer interval.

Responsible Office/Projects: the USAID office with primary responsibility for making sure that data are collected and analyzed, and the projects whose activities contribute to the achievement of the strategic objective. Hopefully the M&E systems for these projects can bear the cost and effort of data collection needed for the indicators.

B. S.O. 1: Assist El Salvador Make the Transition from War to Peace

1. Overview of the Strategy

Strategic Objective 1 - Assist El Salvador make the transition from war to peace

- *Indicator 1 - Increased voter participation
- *Indicator 2 - Employment growth in NRP area (by gender)
- *Indicator 3 - Percent of ex-combatants 1) employed, and 2) exercising voting rights (by gender)

Program output 1.1 - Reactivate factors of production (land, labor, capital) to respond to economic opportunities

- Indicator 1 - People trained under NRP and percent subsequently employed (by gender)
- *Indicator 2 - Percent of Land Bank clients with land in production
- *Indicator 3 - Percent of clients receiving a) agricultural credit, b) microenterprise credit, and c) village bank credit current on loan repayments

Program output 1.2 - Reestablish access to basic services

- Indicator 1 - Percent of population with access to potable water in NRP areas
- Indicator 2 - Percent of population benefitting from NRP road and bridge reconstruction activities

Program output 1.3 - Build local level democratic institutions and increase civic participation

*Indicator 1 - Percent of cantones participating in the Municipalities in Action Program open town meetings

Indicator 2 - Increase in frequency of open town meetings under the Municipalities in Action Program

*Indicator 3 - Increase in registered voters in NRP zones

Note: the starred items indicate those which have been changed since the FY 93-94 Action Plan submission.

Changes in Strategic Objectives or Program Outputs

There were no changes in the Strategic Objective. While a more precise wording of this Strategic Objective was discussed to indicate that economic reactivation and social and democratic reintegration of the NRP areas are the objectives, the Mission arrived at a consensus to maintain the existing wording. In any event, the performance indicators and program outputs clarify what are the Mission's intended achievements under this Strategic Objective.

Changes in Indicators

Strategic Objective Level

At the Strategic Objective level, all of the performance indicators were changed. Performance indicator 1 was altered to measure civic participation through voting rather than possession of the documentation necessary for voting. The final activity of voting was thought to be a more definitive indicator of participation in a democratic, political process.

Performance indicator 2, employment growth in NRP zones, replaced that of average family income because the Mission established that information that could be obtained on average family income would not be reliable. Also, employment growth is expected to reflect more clearly the results of the various economic support activities undertaken by the Mission under the NRP, such as the provision of land, credit, and vocational training.

Performance indicator 3 was added to demonstrate the reintegration of ex-combatants to civilian life because of the importance of assisting ex-combatants in making the transition from war to peace and because the Mission is investing considerable resources and efforts to support the demobilization of the ex-combatants and the advancement of the peace accords.

Program Output Level

Based on several project level outputs, three indicators were selected to illustrate the impact of activities under Program Output 1.1. These were activities related to vocational training and subsequent employment, and the provision of land and credit. The impact of providing land will be measured by whether it is being put to productive use or not. The impact of providing

agricultural, microenterprise, and village bank credit will be measured by the ability of the recipients to repay their loans, which is expected to indicate increased economic viability.

Nine infrastructure activities were foreseen as project-level outputs in the Action Plan for program output 1.2. Of these, two were eliminated and two were substantially altered. Of the remaining indicators, the provision of potable water and reconstruction of roads and bridges were chosen as indicators of that program output because they were thought to provide the best indication of the impact of the NRP infrastructure activities.

There was a discussion as to whether the indicators should measure the impact of infrastructure activities undertaken in the NRP zones as compared to the non-NRP zones. However, the Interamerican Development Bank and other donors are investing large amounts of money in similar efforts in the non-NRP zones, which could reduce the appearance of the impact of the Mission's program. Therefore, it was decided that infrastructure activities would be measured by the increase in beneficiaries gaining access to these services.

Program Output 1.3 had six project-level output indicators, one of which was dropped and another added. Most indicators depicted outputs of the Municipalities in Action Program. Two of these were chosen to measure the impact of this program and its focus on increasing civic participation. The indicator "percent of legal age Salvadorans with voter carnets in ex-conflictive zones" was changed to "increase in registered voters because the demographic information necessary for establishing the population base was not available, and because the information on voter registration in the NRP areas was determined unreliable.

2. Surveys, Special Linkage and Evaluation Studies:

To properly track progress on this strategic objective the following special surveys are proposed (refer to the M&E Table for additional information):

Strategic Objective Performance Indicator 1.: Increased Voter Participation

A survey is proposed to provide information on public confidence in democratic processes for the NRP areas by piggybacking onto the existing Gallup survey. The survey could be conducted in January 1993 to obtain baseline information and repeated subsequently in 1995 and 1997. This information would buttress the voter participation indicator and could be obtained at a relatively modest cost. Based on information provided by the Gallup representative, it would be possible to beef up the current sample by 200 respondents in the NRP. At the cost of \$300 per question, baseline information on an additional 15 questions could be obtained at a cost of \$4,500.

Total Estimated Cost: \$4,500

Strategic Objective Performance Indicator 2.: Employment Growth in NRP area (by gender)

Data for this indicator would come from the Household Survey which by heavier sampling in the NRP area, would provide this key economic information. The survey entity budget is currently \$750,000 per year. It is estimated that the additional cost of covering the NRP areas

would be \$50,000 per year. However, Mission support for this activity is scheduled to end in 1993. Because this survey is key for providing information on several economic indicators, the Mission may wish to consider funding this activity under an umbrella data project from 1994-1997. Two options are available:

Total Estimated Cost: \$250,000 only to cover additional cost of NRP for 1993-97.

Total Estimated Cost: \$3,200,000 to cover continuation of the Household Survey from 1994-97.

Strategic Objective Performance Indicator 3.: Percent of ex-combatants (by gender) employed and exercising voting rights.

A survey could be conducted of the FMLN and ESAF ex-combatants. The respondents would be from a fixed control group to provide longitudinal information on these individuals. According to the Gallup representative, these surveys would cost approximately \$15 per individual to conduct. With approximately 1,400 FMLN and an equivalent sample of ESAF, three surveys conducted in 1993, 1995, and 1997 would cost \$126,000 (\$42,000 per survey).

Total Estimated Cost: \$126,000

Program Output 1.1; Indicator 1: Percent of people trained that are subsequently employed (by gender)

It is estimated that approximately 5,000 people will be trained annually. Using a local surveying firm to conduct a 10 percent sample survey, it is estimated that follow-up on ex-trainees could be carried out at a cost of \$5,000 per year (\$10 per individual surveyed).

Total Estimated Cost: \$25,000 for 1993-97.

Program Output 1.1; Indicator 2: Percent of Land Bank clients with land in production

It is estimated that approximately 3,000 land bank transactions will be carried out during the LOP. Two surveys will be carried out in 1994 and 1997 of approximately a 10 percent sample by a local firm at a cost of approximately \$1,500 per survey.

Total Estimated Cost: \$3,000 for surveys in 1994 and 1997.

In summary, the total estimated additional cost for surveys to track Strategic Objective 1, without covering the full Household Survey costs from 1994-1997, is \$408,500. If it is proposed that the Household Survey cost be covered until 1997, the total estimated cost would be \$3,408,500.

3. Outstanding Concerns, Issues and Recommendations

Conceptual Concerns - The following concerns were raised on this strategic objective.

- **Level and focus of NRP Resources:** The achievement of the strategic objective and the program outputs is of course dependent on the level of resources available for NRP activities. Originally, demobilization activities were to be financed from other sources. Because these funds have not materialized to date, USG is supporting critical initial

demobilization efforts. To the extent that this redirection of resources affects the implementation of other NRP activities, this could affect the achievement of the currently established program outputs.

Recommendation

The Mission should track this situation in its Action Plan and justify amending its program outputs and indicator targets if necessary.

- Wording of the Strategic Objective: The statement "Assist El Salvador make the transition from war to peace" makes it difficult to understand the exact impact that the Mission intends to have with this program. Previously, the following wording had been suggested: "Economic reactivation of the conflictive zones, restoring their basic services, and democratic integration of their population." The team recognizes that there has been considerable internal debate on this and the Mission has decided not to alter the wording. The Strategic Objective performance indicators do provide information on what the expected impact and achievement of the Strategic Objective will be. We merely highlight this because it does conflict with the guidance from CDIE/PRISM which requests that strategic objective statements be worded as accomplishments being sought.

Indicators of Population Coverage and Impact

A number of the NRP indicators that were presented in the FY 93-94 Action Plan were primarily project-level outputs and did not reflect beneficiaries in relation to the population. The lack of reliable population and other baseline data made this inevitable. The changes made during this M&E Plan TDY have been primarily in this area.

Recommendation

Should changes occur in the program content necessitating a change in program outputs or indicators, the Mission should develop indicators that reflect impact and not project outputs.

Availability of Data

There is a serious lack of data on the NRP zones. This lack of existing information makes it necessary to wait until 1993, or later in some cases to establish baseline data for the indicators. Also, given the character of some of the activities i.e. ex-combatant economic and democratic reintegration, surveys will be required to monitor progress in achieving the strategic objective. Fortunately, the 1992 Population and Housing Census will provide information on population, housing and some economic characteristics for the Mission to develop baselines for a number of indicators. The use of the census data is covered in the attached M&E Plans. In the interim, the Mission can take some steps to report on progress for the next Action Plan.

S.0.1

Assist El Salvador
Make the Transition
from War To Peace

P.O.1.1

Reactivate Factors of
Production to Respond to
Economic Opportunities

P.O.1.2

Re-establish access to
Basic Services

P.O.1.3

Build Local Level
Democratic Institutions
and Increase Civic
Participation

USAID/El Salvador STRATEGIC OBJECTIVE :	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/KEY PROJECTS
<p>Assist El Salvador make the transition from war to peace.</p> <p>Key Assumption: National Reconstruction Program (NRP) resources will shift from intensive focus on demobilization of ex-combatants to more general economic reactivation, access to services, and democratic reintegration in the NRP areas.</p>	1. Increased Voter participation.	Percent	<p>Elections Tribunal Records. 1992 Census used to establish base for legal voting age population.</p> <p>Special Survey</p>	<p>Voter participation Baseline would be established in 1994 elections for NRP areas. Subsequent voter turnout data would be available in the 1997 elections. Note: An interim baseline could be established using voter turnout data from the 1991 election and with 1992 Census population data.</p> <p>ODI will be measuring increased public confidence in:</p> <ul style="list-style-type: none"> - electoral process - Justice Sector - Municipal Government - Public Sector Financial Accountability through annual CID/Gallup Poll. A special survey for NRP areas would be carried out in 1995 and 1997 to cover these topics and compared with the results from the rest of the country. This would be reported in the AP. 	<p>Baseline established in 1994. Reported again in 1997.</p> <p>1993, 1995 and 1997 Cost: \$13,500</p>	<p>ODI -0391</p> <p>IRD -0394</p>
	2. Employment Growth by gender in NRP area.	Percentage Change.	<p>Multipurpose Household Survey, Ministerio de Planificacion</p>	<p>Household Survey has been expanded to rural areas. In 1993 coverage will be expanded for reporting on NRP areas and will provide Baseline.</p> <p>Note: In establishing the target percentage change for NRP, it would be expected that growth would be higher in initial years. While there may be interest in comparing the NRP employment growth with that in non-NRP rural areas, it is probable that by 1997 employment growth in NRP could lag or be equal to employment growth in non-NRP areas. The Mission may wish to provide comparison information in the AP narrative.</p>	<p>Baseline established 1993. Annually thereafter. Cost: \$50,000 per year (total 93-97: \$250,000) or \$3,200,000 (\$800,000 per year) if full household survey costs are covered 94-97.</p>	<p>Economics Office -0394</p>
	3. Percent of ex-combatants (by Gender): 1) Employed and 2) Exercising voting rights.	Percent	Special Surveys	<p>Control groups for FMLN and ESAF would be established. Representative organizations for these groups would be charged with tracking location of control groups for an experienced survey entity to conduct initial survey in 1993 and subsequent surveys in 1995 and 1997. Among the information that these would provide for narrative purposes would be the types of employment, and any differences in exercising voting rights.</p> <p>Note: These control group surveys should be focused solely on the employment and voting rights question because of respondent confidentiality concerns.</p>	<p>1993, 1995 and 1997. Cost: (\$42,000 per survey) \$126,000 for three surveys.</p>	<p>IRD -0394</p>
Evaluations/Special Studies			Interim Evaluation of NRP.	<p>Evaluation would also assess preliminary impact based on information collected for NRP program outputs. No other program evaluations are planned at this time.</p>	1994	IRD

USAID/ET Salvador PROGRAM OUTPUT 1.1	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/PROJECTS
Reactivate factors of Production (land, labor, and Capital) to respond to economic opportunities	1. People a) trained (by gender) under NRP b) percent subsequently employed.	a) Number trained -men -women b) Percent	a) NRP project data b) Special Survey	Data would be collected and aggregated on training designed to prepare people for jobs. Survey would be conducted from implementing agency records of people trained to determine percent that have obtained employment and in what sectors (agriculture, industry, services construction etc.)	Annually Annually Cost: \$25,000	IRD and OET -0315 -0394 IRD -0394
	2. Percent of Land Bank Clients with land in production.	Percent	Special Survey	A survey would be conducted of Land Bank clients to determine whether the land was in production. Selected additional information on the type of production and whether they had transferred any of their land could also be asked and reported in the AP narrative.	Survey in 1994 and a subsequent survey in 1997. Cost: \$3,000 for the two surveys.	ANR -0394
	3. Percent of clients receiving: a) agricultural credit b) microenterprise credit c) village bank credit current on loan repayments.	Percent	BFA Fedecredito CRS FINCA	Implementing agencies would report on clients not in arrears. Note: This information would indicate whether credit recipients were successfully beginning to reintegrate in to the economy by their ability to service their short-term (working capital debt). Implementing agencies of working capital loans will also provide information on the production, or type of business being financed (by gender). This information would be reported in the AP narrative.	Annually beginning in 1993.	IRD and PRE -0394 -0318
Evaluations/Special Studies						

USAID/El Salvador PROGRAM OUTPUT 1.2	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/PROJECT
Reestablish access to basic services	1. Percent of the population with access to potable water in NRP area.	Percent	<p>1992 Census to establish baseline on population and access to potable water.</p> <p>IRD Project(s) data on beneficiaries of water projects from implementing entities.</p> <p>Special Study: For the next AP.</p>	<p>Using 1992 Census NRP population data and the the beneficiaries of water projects, the percentage of the NRP population benefiting from these projects could be tracked annually.</p> <p>To report in the next AP, a tentative baseline could be established using the MIPLAN NRP Communities Survey to establish percent of surveyed communities population that lacked access to potable water. This could be compared to the WASH rural access to potable water percentage. MIPLAN to calculate from their 1992 Communities Survey.</p>	<p>Report annually beginning in 1993.</p> <p>Use in the next AP only until baseline info is available from the Census.</p>	<p>IRD -0320 -0394</p> <p>IRD</p>
	2. Percent of Population benefiting from NRP Road/Bridge activities.	Percent	<p>1992 Census will provide baseline on population.</p> <p>IRD project(s) data on number of beneficiaries from implementing.</p>	<p>Using 1992 Census NRP population data and the beneficiaries of road and bridge activities, the percentage of the NRP population benefiting from these activities could be tracked annually.</p>	<p>Annually beginning in 1993.</p>	<p>IRD -0320 -0394</p>
Evaluations/Special Studies						

USAID/El Salvador PROGRAM OUTPUT 1.3	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/PROJECTS
Build local level democratic institutions and increase civic participation	1. Percent of Cantones participating in Municipalities in Action Program Town Meetings.	Percent	MEA program	Canton representation would indicate level of grass roots participation in democratic process.	Annually beginning in 1992.	IRD -0304
	2. Increased frequency in town meetings involving civic associations or citizen groups.	Number of meetings	Municipal records	All municipalities that receive Mission project assistance are providing this data. Increased frequency is another indication that there is increased participation by citizens in their local government.	Annually	IRD 0704
	3. Increase in Registered Voters.	Percentage Change	Electoral Tribunal Records	Baseline of registered voters established in NRP zones and reported prior to elections.	Baseline established in 1992 and reported 6 mos. prior to elections in 1994 and 1997.	ODI
Evaluations/Special Studies						

USAID/El Salvador STRATEGIC OBJECTIVE 1	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
			YEAR	VALUE	1992		1993		1994		1995		1996		1997	
					Planned	Actual										
Assist El Salvador make the transition from war to peace	1. Increased Voter participation.	Percent	1994 (Interim Baseline 1993)	Pending	NA	NA	NA	NA			NA	NA	NA	NA		
	2. Employment Growth by gender in NRP area.	Percentage Change	1993 from Household Survey	Pending	NA	NA										
	3. Percent of ex-combatants (by Gender): 1) Employed and 2) Exercising voting rights.	Percent	1992	a) 0 b) 0	NA	NA			NA	NA			NA	NA		

USAID/El Salvador PROGRAM OUTPUT 1.1	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS												
			YEAR	VALUE	1992		1993		1994		1995		1996		1997		
					Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual			
Reactivate factors of Production(land, labor, and Capital) to respond to economic opportunities	1. People a)trained (by gender) under NRP	a)Number trained -men -women	1992	Pending	Pending		Empty Box Indicates data needs to be provided in future										
	b)percent subsequently employed.	b)Percent	1993	Pending	NA	NA											
	2. Percent of Land Bank Clients current on interest payments.	Percent	1993	Pending	NA	NA	NA	NA				NA	NA	NA	NA		
3. Percent of clients receiving: a)agricultural credit b)microenterprise credit c) village bank credit current on loan repayments.	Percent	1993															

USAID/EI Salvador PROGRAM OUTPUT 1.2	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
			YEAR	VALUE	1992		1993		1994		1995		1996		1997	
					Planned	Actual										
Reestablish access to basic services	1. Percent of the population with access to potable water in NRP area.	Percent	1993	Pending	NA	NA										
	2. Percent of Population benefiting from NRP Road/Bridge activities.	Percent	1993	Pending	NA	NA										

USAID/EL Salvador PROGRAM OUTPUT 1.3	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
					1992		1993		1994		1995		1996		1997	
			YEAR	VALUE	Planned	Actual										
Build local level democratic institutions and increase civic participation	1. Percent of Cantones participating in Municipalities in Action Program Town Meetings.	Percent	1992	Pending												
	2. Increased frequency in town meetings involving civic associations or citizen groups.	Number of Meetings	1992	Pending												
	3. Increase in Registered Voters.	Percentage Change	1992	Pending	NA	NA	NA	NA			NA	NA	NA	NA		

Recommendations

1) Until baseline information from the 1992 census becomes available, the Mission should report on the key project-level outputs in the Action Plan narrative. Specifically, number of infrastructure activities and beneficiaries, number of people trained, number and land area of land bank transactions, etc., should be reported under the appropriate NRP program outputs.

2) The Mission should maintain contact with the Dirección General de Estadística Y Censos to obtain preliminary population figures prior to their publication and official release. These can then be used to develop the baselines for the NRP program so that impact indicator baselines (i.e. percent of the population served, percent of the population with access, etc.) can be developed.

Management Considerations

A significant amount of information will have to be collected and coordinated with several other technical offices within USAID (for the most part from existing project data systems). Some surveys and special studies will also be needed to establish baselines and provide follow-up information. In addition, there is a need to ensure that project evaluations for activities in the NRP areas include assessments of impacts on the NRP Strategic Objective and program outputs.

Recommendation

IRD should assign one person with the responsibility of ensuring that the appropriate information is collected, assembled, analyzed, and reported in support of these efforts and that preparations for the implementation of surveys and special studies are undertaken at the appropriate time. This individual should also coordinate with IRD and other technical offices on evaluations that affect NRP program achievement.

C. S. O. 2: Increase Equitable Economic Growth

1. Overview of the Strategy

USAID/El Salvador's second strategic objective focuses on creating an enabling environment for and implementing a number of program level interventions to **Increase Equitable Economic Growth**. To accomplish this objective, the Mission has chosen four major program outputs, which, if realized, will make it highly plausible that this strategic objective will be achieved. These program outputs are: 1) **Creation and Maintenance of Appropriate Economic Policy Framework**; 2) **Increase Private Investment**; 3) **Increase Exports**; and 4) **Increase Employment**. A number of modifications to both the strategic objective performance indicators and the program output indicators during this program performance assessment system exercise represent an improvement in the logic underpinning the relationships between means and ends. Where revisions have taken place, they are reflected below by an asterisk and in the following discussion of strategic objective performance indicators and program output indicators.

Strategic Objective 2 - Increase Equitable Economic Growth

Performance Indicator 1 - Level of Real Gross Domestic Product

Performance Indicator 2 - Proportion of the Population Living Below the Poverty Line

Performance Indicator 3 - Level of Real Domestic Product Per Capita

*Program Output 2.1 - Creation and Maintenance of Appropriate Economic Policy Framework

Indicator 1 - Balance of Payments Current Account Deficit as a Proportion of Gross Domestic Product

Indicator 2 - Fiscal Deficit of the Non-Financial Public Sector as a Proportion of Gross Domestic Product

Indicator 3 - Annual Change in the Consumer Price Index

Indicator 4 - National Savings as a Proportion of Gross Domestic Product

Indicator 5 - Public Sector Savings as a Proportion of Gross Domestic Product

*Indicator 6 - Increased Number of Privatized State-Owned Enterprises

Program Output 2.2 - Increase Private Investment

Indicator 1 - Private Investment as a Proportion of Gross Domestic Product

Indicator 2 - Gross Capital Formation as a Proportion of Gross Domestic Product

Indicator 3 - Aggregate of Investment Attributable to Selected Mission-Supported Activities

Program Output 2.3 - Increase Exports

*Indicator 1 - Value of Non-Traditional, Non-Agricultural Exports

*Indicator 2 - Value of *Maquila* Exports

*Indicator 3 - Value of Traditional and Non-Traditional Agricultural Exports

Indicator 4 - Aggregate of Dollar Value of Exports Attributable to Selected Mission-Supported Activities

Program Output 2.4 - Increase Employment

Indicator 1 - Level of Total Employment

Indicator 2 - Unemployment Rate

Indicator 3 - Visible Underemployment as a Proportion of Total Employment

Indicator 4 - Aggregate of Employment Generation Attributable to Mission-Supported Activities

The Mission has chosen a significantly high-level strategic objective, the achievement of which could be adversely affected by a number of exogenous factors beyond USAID/EI Salvador's control. In committing itself to progress under this strategic objective, the Mission is making a number of important assumptions about future political and economic conditions among which are the following:

- Reaching the strategic objective in the five to seven year planning period will depend upon no precipitous decrease in economic assistance funds for the country over the first five years of the period;

- Other donors will take on key roles in the country's economic development program;
- The current and future Salvadoran Government maintains and/or improves on its commitment to free market, economic reform policies;
- ▣ Peace and stability must become a reality in El Salvador; and
- ▣ Foreign markets for the country's traditional and non-traditional exports will rebound and allow for continued positive investment trends in products where El Salvador has a competitive advantage

Despite the criticality of these assumptions, the Mission still believes that this strategic objective is within its "manageable interests," given the totality of the activities and resources that USAID/El Salvador will be devoting to the accomplishment of this objective. These activities include policy dialogue under a multi-year economic reform program and ongoing and new Mission projects. The activities and projects that support both the strategic objectives and each of the program outputs are listed in the tables which follow.

Changes in the Strategic Objective and Program Performance Indicators

The Mission has selected 20 indicators to use to measure performance toward its economic growth strategic objective and the accompanying program outputs. This represents a relatively sizeable reduction from the 25 indicators that were proposed in the POD/Action Plan. The Mission team responsible for the identification of these indicators believes that this smaller set of indicators will do a better job of answering the key managers questions than the larger number that were originally proposed. Although this strategic objective is quite complex and consists of a myriad of both project and non-project assistance, the team made a conscious decision not to include each and every indicator relevant to this strategic objective that the Mission is tracking. In other words, indicators such as progress in the passage of a law or the enactment of implementing regulations that are considered to be important to Mission program and project management but not to AID/Washington will not be included in this performance monitoring system. Indicators of this type will still be monitored as part of the relevant projects' monitoring and evaluation system or under the monitoring and reporting requirements of the ESF program.

The specific indicators for the strategic objective and the four program outputs are listed in Tables 2 and 2.1 through 2.4, respectively. Information is also provided for each indicator relating to the unit of measurement, the data source(s), the method to be used to obtain the data, how often the indicator will be collected/developed and reported, which office in the Mission will have responsibility for gathering and assessing the implication(s) of the indicator and specific projects critical to the indicator. All indicators are quantitative and will be reported on annual basis. The information needed to monitor changes in these indicators will largely come from Government of El Salvador (GOES) statistics and the investment and export data base that is being maintained by the Office of Private Enterprise or other Mission project monitoring systems. Thus, the monitoring component of the performance monitoring and evaluation system that is being proposed for this strategic objective will entail minimal additional costs. Baseline

information on each of the indicators and the specific targets projected for each of the years covered during the 1992-97 planning period will be monitored by the Mission using a table corresponding to Tables 2 and 2.1 through 2.4 . As can be seen from the blanks, considerable work still needs to be done to develop baselines and targets for many of the indicators.

Indicators for the Strategic Objective

The Mission will use three indicators to measure performance in achieving an Increase [in] Equitable Economic Growth:

- Level of real gross domestic product
- Level of real gross domestic product per capita
- Proportion of the population living below the poverty line

Indicators for the strategic objective are fairly straight forward and directly responsive to the first of the key managers questions. Gross output will be measured using data from the country's national accounts.

Given the program's reliance upon national accounts data to measure progress at the strategic objective level, it is recommended that the Mission check on the definitions used by the Banco Central de Reserva de El Salvador in the development of this indicator to make sure that they are consistent with Mission needs and to ascertain how the final numbers are obtained to determine whether any additional steps are necessary or desirable to improve the quality of this data. In many Latin American countries, national accounts are generated on the basis of yearly estimates of the Central Bank and are largely based on interviews with a number of business and governmental entities. Little primary information is available to these Central Banks for this exercise and as a result, some of the methods used in the development of these data are erroneous. In particular, the some Central Banks calculate the value of the various components of the country's national accounts, including private investment and GDP, and the value added of agricultural and industrial production on the basis of coefficients derived for the Central Bank's particular base year, which in many instances, cannot possibly have any relevance today. As such, the overall quality of this data is questionable to say the least. Notwithstanding, as long as biases in data collection and construction remain stable, i.e., no one changes these coefficients in the medium term, valid conclusions can still be drawn from these time series data relating to GDP, private investment and value added.

To assess the impact of population growth rate upon real output and to add a more human dimension to this measurement, changes in the level of per capita gross domestic product (GDP) will be also be tracked by the Mission. Given the fact that another major Mission sector program intends to influence population growth, GDP per capita will also serve as a relatively comprehensive measure of the Mission's overall program impact.

Two units of measurement for these indicators have been chosen. One is based on an index with 1989 chosen as the base year and set to 100. The other is change in real GDP in U.S.

dollar terms. Use of an index avoids the potential problem of interpreting growth measured by cumulative percentage change in which growth in one year may not be followed by an equal gain in following years although the economy still manifests real increases. With an index, varying rates of growth are readily identifiable relative to the chosen base year, in this instance 1989.

The proportion of the population living below the poverty line will be measured from data currently being collected by the Ministerio de Planificación in its multipurpose household survey. Although the income data collected by this survey in previous years has been suspect, revisions to the questionnaire promise to provide more reliable information to measure this key variable which serves to partially answer the second key managers' question regarding the Mission's programs' impact on the poor.

Indicators for Program Output 2.1

Maintenance of an appropriate macro policy environment is considered to be key to the achievement of the equitable economic growth strategic objective. Continuation of the ongoing reforms structured to accelerate growth and the divestiture by the GOES of key financial institutions and productive enterprises to make room for the private sector to become more active are also important. The Mission already tracks ongoing policy reform efforts and reports on progress through the reporting systems associated with its ESF non-project assistance which is a means through which the Mission has influence over the GOES' economic reform program.

The Mission had originally planned to track and report on as part of this program performance monitoring system progress vis-à-vis specific macro and sectoral policy reforms planned in the areas of tax reform, agricultural policy reform, financial management policy reforms and financial sector reforms. Since this system is intended to focus on program impact — not inputs — the decision was made to exclude reporting on progress on individual policy reforms from this system and to concentrate on tracking measures designed to capture the effects of policy changes. To simplify this system, only indicators of these effects will be reported to AID/Washington. The Mission will, nevertheless, track and assess the meaning of changes in all of these envisaged policy reform activities and will be able to incorporate any important results into its reports to Washington.

One caveat is in order. Although the privatization indicator defined to measure progress toward achieving Program Output 2.1 is quantitative in nature, i.e., it will measure the number of state-owned enterprises divested by the GOES, it in itself does not measure the effect of policy reforms aimed at reducing the role of the state in the economy. At the present time, the Mission does not have a specific intervention targeting the divestiture of GOES-owned enterprises. Therefore it is not in the manageable interest of the Mission at this time to measure the impact of the small number of enterprises privatized to date.

In addition to deleting qualitative indicators relating to these envisaged macro and sectoral policy reforms, the economic growth team also deleted the indicator found in the 1992 POD/Action under Program Output 2.1 dealing with the Mission's and the international lending agencies' desire to see a narrowing of the range of external tariff rates. Although the GOES has agreed to reduce the range to 5 to 20 percent by end-1992, more can be done to further reduce

the effective rate of protection in El Salvador. However, measurement of the effective rate of protection would entail a ponderous and costly exercise requiring analysis of the structure of production and other not readily available data. As such, the team decided that the six indicators of Program Output 2.1 listed below would meet the sufficient and necessary criteria to measure progress toward achieving this output.

To determine whether the policy changes underway are actually resulting in a reduction of distortions affecting production and export earnings (one of the key managers questions for this program), the Mission proposes to track, on an annual basis, six indicators to measure progress toward achieving its first Program Output, Creation and Maintenance of Appropriate Economic Policy Framework:

- Balance of payments current account deficit as a proportion of gross domestic product;
- Fiscal deficit of the non-financial public sector as a proportion of gross domestic product;
- Annual change in the consumer price index;
- National savings as a proportion of gross domestic product;
- Public sector savings as a proportion of gross domestic product; and
- Increased number of privatized state-owned enterprises

All of these measure are well known; they are also measures that are being calculated for the other Central American countries, which makes them useful in regional comparisons regarding the impact of macro and sector level policy reforms.

Indicators for Program Output 2.2

The mission will use three indicators to measure progress in its efforts to Increase Private Investment:

- Private investment as a proportion of gross domestic product;
- Gross capital formation as a proportion of gross domestic product; and
- The aggregate of investment attributable to selected Mission-support activities

These proposed indicators are relatively straight forward. The best measure of an improved investment climate brought about by the GOES economic reforms is whether the total value of investment in the country has increased. To complement these measures, the Mission had originally intended to track inflows of foreign investment. Information on foreign investment, however, is incomplete due to recent relaxation of regulations relating to the reporting of foreign exchange and the requirement that all foreign investment be officially

registered in order for firms to repatriate their earnings in foreign exchange. With the recent removal of this regulatory structure, official registry of foreign investment has declined precipitously thereby rendering its measurement extremely difficult. The Mission's first indicator, private investment, implicitly includes foreign investment and thus renders further disaggregation unnecessary in light of this difficulty. Before finalizing this indicator, however, it is recommended that the Mission check on the definitions used by the Banco Central de Reserva de El Salvador in the development of this indicator to make sure that they are consistent with Mission needs and to ascertain how the final numbers are obtained to determine whether any additional steps are necessary or desirable to improve the quality of this data.

Indicators for Program Output 2.3

The mission will use three indicators to measure its interventions to Increase Exports:

- Value of non-traditional, non-agricultural exports;
- Value of *maquila* exports;
- Value of traditional and non-traditional agricultural exports; and
- The aggregate dollar value of exports attributable to selected Mission-supported activities

All of the indicators for this Program Output were modified to one degree or another to more comprehensively measure change in the export sector. The indicator which appeared in the April POD/Action Plan relating to the percentage change in the dollar value of non-traditional exports was split into two indicators to emphasize the importance of the *maquila* subsector in the production of non-traditional exports. In addition, given the unique nature of *maquila* production, it cannot be accurately measured by the same unit of measurement as other non-traditional, non-agricultural output, i.e., while other production can be relatively accurately quantified in F.O.B. terms, the measurement of *maquila* output is restricted to value measurement units.

Reflecting the Mission's relatively large intervention in the coffee subsector, the economic growth team deemed it necessary to measure the export value of this important component of the traditional agriculture sector.

Indicators for Program Output 2.4

The Mission will use four indicators to measure the progress of its efforts to Increase Employment:

- Level of total employment;
- Unemployment rate;
- Visible underemployment as a proportion of total employment; and

- The aggregate of employment generation attributable to Mission-supported activities

In addition to USAID/El Salvador's economic policy reform program which encourages investment to create employment in domestic industries and in the export sector, the Mission's program in this area focuses on financing credit, technical assistance and training for small and micro entrepreneurs who cumulatively facilitate the creation of more employment in the Salvadoran economy. No changes or modifications were considered necessary to measure progress in this area.

2. Special Linkage and Evaluation Studies

In response to growing interest regarding impact of the Agency's programs, the Mission plans to undertake one significant special study to attempt to establish causal linkages between the Mission's economic policy reform activities and changes in the absolute and relative status of the poor. This important study will be undertaken at the strategic objective level which will help both the Mission and AID/Washington begin to develop some answers to the question whether and how people have benefitted from AID interventions in El Salvador, particularly from the major economic policy reforms that have formed a core component of the Mission's program (this was identified as the second key managers' question relative to Congress, AID/W and mission program management).

A special study is justified in light of the crucial need for further refinements in the analytical methods of the existing GOES Multi-Purpose Household survey which was designed to identify trends in food consumption, education, health and nutrition and household income, but not a rigorous treatment of income for its own sake. Several improvements are crucial for improving data drawn from the Multi-Purpose survey, particularly with regard to household income, that would underpin the type of analyses required to answer the question related to impact of the Mission's non-project assistance on disadvantaged groups of Salvadorans. Nevertheless, it is clear that a household income and/or expenditure approach holds considerable promise for helping the Mission better understand the relationships between its programs and people level impacts.

Expenditure surveys have been successfully undertaken by the World Bank and others¹ to assess the impact of structural adjustment on the poor and USAID/El Salvador is committed to seeking a cost-effective means to arrive at such a measure. Whichever method is ultimately chosen to make inferences regarding the impact of macro and sector policy reforms on the country's disadvantaged groups, two guidelines should be kept in mind:

- It is better to look at long-term trends than year-to-year changes, since the latter are especially susceptible to being influenced by exogenous forces unrelated to policy reform. Although this conclusion appears to conflict with AID/Washington's desire to track key indicators on an annual basis, it is

¹ See, for example: Kanbur, S.M.R., "Measurement and Alleviation of Poverty: With an Application of the Impact of Macroeconomic Adjustment," International Monetary Fund Staff Papers, September, 1987 and Kanbur, S.M.R., "Poverty and Social Dimensions of Adjustment in Côte d'Ivoire", Mimeographed, SDA Unit, Africa Region, The World Bank, November, 1988.

nevertheless important that the Mission not be fooled by short-term changes in such indicators, and that it is careful to explain which factors other than macro and sector policy reforms — including the lingering effects of prior, inappropriate policies — might be responsible for yearly variations;

- A wide range of indicators should be examined, both economic and socially oriented, especially if some of the data are suspect to inaccuracy. If it is found that most or all indicators lead to similar inferences, one can have some degree of confidence in the story they are telling — the more so the greater the number of variables that are examined.

The estimated cost for two such surveys, one in 1993 and another in 1996, is approximately three million Salvadoran colones.

Agricultural Sector Policy Assessment

In order to revitalize El Salvador's agricultural sector through focused sector level policy reforms, the Mission has commissioned a special Agricultural Sector Policy Assessment designed to review the current situation in four key areas, identify key policy constraints that impede performance in the sector and rank order potential policy reforms that will alleviate the different constraints.

Significant problem areas have been identified within the agricultural sector with regard to agricultural credit, debt overhang and barriers to entry, privatization and agricultural input markets and trade and investment. The intent of this special study is to identify potential policy reforms which will remove these bottlenecks which constrain the country's agricultural output both for domestic consumption and for export. Once this set of policy reforms is identified and operationalized, the Mission can use its program performance assessment system to track measures that will be designed to capture the effects of policy changes in the agricultural sector.

The estimated cost of this special study is \$675,000.

S.0.2

Increased Equitable Economic Growth

P.O.2.1

**Creation and
Maintenance of
Appropriate
Economic Policy
Framework**

P.O.2.2

**Increased Private
Investment**

P.O.2.3

Increased Exports

P.O.2.4

**Increased
Employment**

USAID/El Salvador STRATEGIC OBJECTIVE 2	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN/ WHEN	RESPONSIBLE OFFICE/KEY PROJECTS
<p>Increase Equitable Economic Growth</p> <p>Assumptions:</p> <p>1) No precipitous decrease in economic assistance funds during the planning period; 2) Other donors expand their role in economic development; 3) The current and future Salvadoran administrations remain committed to free market economic reform policies 4) Peace and stability become a reality; and 5) Given the importance of exports in achieving the strategic objective, the world economy regains at least moderate rates of growth</p>	1) Level of Real Gross Domestic Product	1a) Index of Real GDP With Base Year of 1989 =100 1b) Level of Real GDP in Millions of U.S. Dollars	1) Banco Central de Reserva de El Salvador, Gerencia de Política Económica	1) Mission will obtain requisite information regarding output from the Banco Central de Reserva de El Salvador	1) Annually	1) Economic Office (519-0378)
	2) Proportion of the Population Living Below the Poverty Line	2) Percentage	2) Multipurpose Household Survey, Ministerio de Planificación	2) Mission will obtain requisite information on the incidence of poverty from the Multipurpose Household Survey conducted by the Ministerio de Planificación	2) Annually	2) Economic Office (519-0378)
	3) Level of Real Gross Domestic Product Per Capita	3a) Index of Real GDP With Base Year of 1989 = 100 3b) Real GDP Per Capita in Millions of U.S. Dollars	3) Banco Central de Reserva de El Salvador, Gerencia de Política Económica	3) Mission will obtain requisite information regarding output from the Banco Central de Reserva de El Salvador; population data will be obtained from the Ministerio de Economía, Dirección General de Estadísticas y Censos	3) Annually	3) Economic Office (519-0378)
<p>Evaluations/Special Studies</p> <p>Special study to be undertaken during the latter part of fiscal year 1993 and again in 1996 to identify changes in the incidence of poverty among disadvantaged groups of Salvadorans as a consequence of the Mission's free market economic reform program</p> <p>This study will be complemented by trends employment and wage rates and "quality of life" data from the health sector to ensure relative accuracy</p> <p>Estimated Cost: \$1.5 Million</p>	Evolution of Income by Decile Complemented by Additional Information Such as Employment and Wage Trends and Key Income-Sensitive Health Sector Trends	Change in Income by Deciles Below the Median Income Level Disaggregated by Sex of Head of Household Complemented by Supplemental Indicators Such as, <i>inter alia</i> , Wage Rates in Unskilled Labor Categories, Employment Levels in Unskilled Labor Categories, Mortality Per 1,000 Infants, Mortality Per 100,000 Pregnant Women and Levels of Malnutrition	Special Household Income and Expenditure Study	Mission will obtain requisite information regarding the impact of economic policy reform on El Salvador's disadvantaged groups from a special survey which will attempt to utilize an expenditure oriented methodology. The Mission is currently exploring cost effective means to arrive at such a measure The FESAL survey is performed every five years with assistance from the Centers for Disease Control and provides information regarding a variety of health indicators; infant mortality, maternal mortality rate and malnutrition levels are considered to be complementary measures to expenditure/income estimates to assess the impact of reforms upon disadvantaged groups A Mission-funded Health Sector Assessment scheduled for 1993 will identify other indicators which may prove useful in assessing the impact over time of the Mission's economic reform program on disadvantaged groups throughout the country	Special Income and Expenditure Survey: Every Three Years FESAL: Every Five Years	Economic Office, Office of Private Enterprise and Office of Health, Population and Nutrition

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USAID/El Salvador PROGRAM OUTPUT 2.1	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN/ WHEN	RESPONSIBLE OFFICE/KEY PROJECTS
Creation and Maintenance of Appropriate Economic Policy Framework	1) Balance of Payments Current Account Deficit as a Proportion of Gross Domestic Product	1) Percentage	1) Banco Central de Reserva de El Salvador, Gerencia de Política Económica	1) Mission will obtain requisite information regarding output from the Banco Central de Reserva de El Salvador	1) Annually	1) Economic Office (519-0378) (519-0349) (519-0287)
	2) Fiscal Deficit of the Non-Financial Public Sector as a Proportion of Gross Domestic Product	2) Percentage	2) Banco Central de Reserva de El Salvador, Gerencia de Política Económica	2) Mission will obtain requisite information regarding output from the Banco Central de Reserva de El Salvador	2) Annually	2) Economic Office (519-0378) (519-0349) (519-0287)
	3) Annual Change in the Consumer Price Index	3) Percentage	3) Banco Central de Reserva de El Salvador, Gerencia de Política Económica	3) Mission will obtain requisite information regarding the government's budgetary deficit and output from the Banco Central de Reserva de El Salvador	3) Annually	2) Economic Office (519-0378) (519-0349) (519-0287)
	4) National Savings as a Proportion of Gross Domestic Product	4) Percentage	4) Banco Central de Reserva de El Salvador, Gerencia de Política Económica	4) Mission will obtain requisite price information from the Banco Central de Reserva de El Salvador	4) Annually	3) Economic Office (519-0378) (519-0349) (519-0287)
	5) Public Sector Savings as a Proportion of Gross Domestic Product	5) Percentage	5) Banco Central de Reserva de El Salvador, Gerencia de Política Económica	5) Mission will obtain requisite information regarding private savings and output from the Banco Central de Reserva de El Salvador	5) Annually	4) Economic Office (519-0378) (519-0349) (519-0287)
	6) Increased Number of Privatized State-Owned Enterprises	6a) Number of Privatized Banks 6b) Number of Privatized State-Owned Enterprises	6) USAID/El Salvador	6) Mission will monitor gains in accelerating the privatization process and progress toward achieving the privatization targets with regard to banks and other state-owned entities	6) Quarterly	5) Economic Office and Office of Private Enterprises (519-0378) (519-0349) (519-0287)
Evaluations/Special Studies Agricultural Sector Policy Assessment Estimated Cost: \$675,000	Assessment Components: a) Agricultural Credit b) Debt Overhang and Policy Barriers of Re-Entry Into Productive Farming c) Privatization and Agricultural Input Markets d) Trade and Investment	Bottlenecks to the Revitalization of El Salvador's Agricultural Sector	Banco de Fomento Agropecuario, Banco Hipotecario, PROBECREDITO, Ministerio de Agricultura y Ganadería, State-Owned Processing and Distribution Facilities, FUSADHS, CRNTA and Escuela Nacional de Agricultura "Roberto Quirós"	Assessment will conduct a review of the current situation in each area, identify the key policy constraints that impede performance and rank order potential policy reforms that will alleviate the different constraints.		

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USAID/El Salvador PROGRAM OUTPUT 23	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN/ WHEN	RESPONSIBLE OFFICE/KEY PROJECTS
Increase Private Investment	1) Private Investment as a Proportion of Gross Domestic Product	1) Percentage	1) Banco Central de Reserva de El Salvador, Oficina de Política Económica	1) Mission will obtain requisite information regarding private investment from the national accounts prepared by the Banco Central de Reserva de El Salvador	1) Annually	1) Economic Office
	2) Gross Capital Formation as a Proportion of Gross Domestic Product	2) Percentage	2) Banco Central de Reserva de El Salvador, Oficina de Política Económica	2) Mission will obtain requisite information regarding capital formation from the national accounts prepared by the Banco Central de Reserva de El Salvador	2) Annually	2) Economic Office
	3) Aggregate of Investment Attributable to Selected Mission-Supported Activities	3) Millions of U.S. Dollars	3) USAID/El Salvador	3) Mission will utilize existing monitoring and evaluation systems to track both registered and unregistered investment attributable to the following USAID/El Salvador-supported activities: Agribusiness Development (519-0327), Agrarian Reform Finance (519-0307), and Free Zone Development (519-0323), Industrial Stabilization and Recovery (519-0287)	4) Annually	4) Economic Office, Office of Private Enterprise and Agriculture and Natural Resources Office (519-0327) (519-0307) (519-0323) (519-0287)
Evaluations/Special Studies						

USAID/El Salvador PROGRAM OUTPUT 2.3	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN/ WHEN	RESPONSIBLE OFFICE/KEY PROJECTS
Increase Exports	1) Value of Non-Traditional, Non-Agricultural Exports	1) Total Value in Millions of U.S. Dollars	1a) FUSADES 1b) Banco Central de Reserva de El Salvador, Gerencia de Política Económica	1) Mission will obtain requisite information regarding the value of non-traditional non-agricultural exports (except <i>maquila</i> exports) from the Fundación Salvadoreña de Desarrollo Socio-Económico (FUSADES) and the Banco Central de Reserva de El Salvador	1) Annually	1) Economic Office and Office of Private Enterprise
	2) Value of <i>Maquila</i> Exports	2) Total Value in Millions of U.S. Dollars	2) FUSADES	2) Mission will obtain requisite information regarding the value of <i>maquila</i> exports from the Fundación Salvadoreña de Desarrollo Socio-Económico (FUSADES) and the Banco Central de Reserva de El Salvador	2) Annually	2) Office of Private Enterprise
	3) Value of Traditional and Non-Traditional Agricultural Exports	3) Total Value in Millions of U.S. Dollars	3) Banco Central de Reserva de El Salvador, Gerencia de Política Económica	3) Mission will obtain requisite information regarding the value of traditional and non-traditional agricultural exports from the Banco Central de Reserva de El Salvador	3) Annually	3) Agricultural and Natural Resources Office
	4) Aggregate Dollar Value of Exports Attributable to Selected Mission-Supported Activities	4) Millions of U.S. Dollars	4) USAID/El Salvador	4) Mission will obtain data from the monitoring and evaluation systems of the following USAID/El Salvador-supported activities which are tracking export value: Agrarian Reform Finance (519-0307), Free Zone Development (519-0323), Industrial Stabilization and Recovery (519-0287), and Small Farmer Export and Marketing (519-0392)	4) Annually	4) Economic Office, Office of Private Enterprise and Agricultural and Natural Resources Office (519-0307) (519-0323) (519-0287) (519-0392)
Evaluations/Special Studies						

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USAID/El Salvador PROGRAM OUTPUT 2A	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN/ WHEN	RESPONSIBLE OFFICE/KEY PROJECTS
Increase Employment	1) Level of Total Employment	1a) Number of Urban Employees Disaggregated by Gender 1b) Number of Non- Urban Employees Disaggregated by Gender	1) Multipurpose Household Survey Conducted by the Ministerio de Planificación	1) Mission will obtain requisite information regarding employment growth from the Multipurpose Household Survey conducted by the Ministerio de Planificación From the 1989 baseline through 1991, employment data was only collected for urban areas. Beginning in 1992, total employment will be able to be disaggregated by urban and non-urban areas	1) Annually	1) Economic Office
	2) Unemployment Rate	2) Change in Percentage Terms Disaggregated by Gender	2) Multipurpose Household Survey Conducted by the Ministerio de Planificación	2) Mission will obtain requisite information regarding employment growth from the Multipurpose Household Survey conducted by the Ministerio de Planificación	2) Annually	2) Economic Office
	3) Visible Underemployment as a Proportion of Total Employment	3) Percentage Disaggregated by Gender	3) Multipurpose Household Survey Conducted by the Ministerio de Planificación	3) Mission will obtain requisite information regarding employment growth from the Multipurpose Household Survey conducted by the Ministerio de Planificación	3) Annually	3) Economic Office
	4) Aggregate of Employment Generation Attributable to Mission- Supported Activities	4) Additional Employment Disaggregated by Age and Gender	4) USAID/El Salvador	4) Mission will obtain data from the monitoring and evaluation systems of the following USAID/El Salvador-supported activities which are tracking employment generation: Agrarian Reform Finance (519-0107), Agribusiness Development (519-0127), Free Zone Development (519-0121), Industrial Stabilization and Recovery (519-0287), Micro- enterprise Development (519-0318), Small Enterprise Support-PROPEMI (519-0187), Small Farmer Import and Marketing Assistance (519- 0392), and Training for Productivity and Competitiveness (519-0315)	4) Annually	4) Economic Office, Office of Private Enterprise and Agricultural and Natural Resources Office (519-0127) (519-0287) (519-0187) (519-0187) (519-0392) (519-0315)
Evaluations/Special Studies						

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UNSAID Subsector STRATEGIC OBJECTIVE 2	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
			YEAR	VALUE	1992		1993		1994		1995		1996		1997	
					Planned	Actual										
Increase Equitable Economic Growth	1) Level of Real Gross Domestic Product	1a) Index of Real GDP With Base Year 1989 = 100 1b) Real GDP in Millions of U.S. Dollars	1989	1.1%	4.0%		4.5%						5.0%			
	2) Proportion of the Population Living Below the Poverty Line	2) Percentage	1989	23%	29%		28%						26%			
	3) Level of Real Gross Domestic Product Per Capita	3a) Index of Real GDP Per Capita With Base Year 1989 = 100 3b) Real GDP Per Capita in Millions of U.S. Dollars	1989	-1.0%	1.5%		1.9%						2.4%			

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DRAIDRI Indicator PROGRAM OUTPUT 2.1	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
			YEAR	VALUE	1992		1993		1994		1995		1996		1997	
					Planned	Actual										
Creation and Maintenance of an Appropriate Economic Policy Framework	1) Balance of Payments Current Account Deficit as a Proportion of Gross Domestic Product	1) Percentage	1989	9.4%	5.0%		4.5%					3.5%				
	2) Fiscal Deficit of the Non-Financial Public Sector as a Proportion of Gross Domestic Product	2) Percentage	1989	5.8%	4.0%		3.0%					2.0%				
	3) Annual Change in the Consumer Price Index	3) Percentage	1989	23.5%	10.0%		10.0%					10.0%				
	4) National Savings as a Proportion of Gross Domestic Product	4) Percentage	1989													
	5) Public Sector Savings as a Proportion of Gross Domestic Product	5) Percentage	1989													
	6) Increased Number of Privatized State-Owned Enterprises	6a) Number of Privatized Banks 6c) Number of Privatized State-Owned Enterprises														

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USAID/El Salvador PROGRAM OUTPUT 2.1	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
					1992		1993		1994		1995		1996		1997	
			Year	Value	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
			Increased Private Investment	1) Private Investment as a Proportion of Gross Domestic Product	1) Percentage	1989										
2) Gross Capital Formation as a Proportion of Gross Domestic Product	2) Percentage	1989														
3) Aggregate of Investment Attributable to Mission-Supported Activities	3) Millions of U.S. Dollars	1989														

USAID/Solomon PROGRAM OUTPUT 2.3	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
					1992		1993		1994		1995		1996		1997	
			Year	Value	Planned	Actual										
Increase Exports	1) Value of Non-Traditional, Non-Agricultural Exports	1) Total Value in Millions of U.S. Dollars	1989													
	2) Value of <i>Maquila</i> Exports	2) Total Value in Millions of U.S. Dollars	1989													
	3) Value of Traditional and Non-Traditional Agricultural Exports	3) Total Value in Millions of U.S. Dollars	1989													
	3) Aggregate Dollar Value of Exports Attributable to Mission-Supported Activities	3) Millions of U.S. Dollars	1989													

INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS												
		Year	Amount	1992		1993		1994		1995		1996		1997		
				Planned	Actual											
Increase Employment	1) Level of Total Employment	1a) Number of Urban Employees Disaggregated by Gender 1b) Number of Non-Urban Employees Disaggregated by Gender	1992 1989													
	2) Unemployment Rate	2) Percentage Change	1989													
	3) Visible Underemployment as a Proportion of Total Employment	3) Percentage Disaggregated by Gender	1989													
	4) Aggregate of Employment Generation Attributable to Mission-Supported Activities	4) Additional Employment Disaggregated by Age and Gender	1991													

"MANAGER'S QUESTIONS"
Strategic Objective 2
EQUITABLE ECONOMIC GROWTH

1. How will the shortfall in donors' assistance affect achievement of the Strategic Objective?
2. What will be the impact in other sectors of the resurgence of basic grain production?
3. What will be the effect of the Program country wide?
4. What will be the effect of the Program with regard to privatizations in the banking system and other privatizations?
5. What will be the impact of the policy component of the Program with regard to capital inflows and investments?
6. What will be the effect of the Program with regard to assimilating the ex-combatants into the economically active population?
7. What will be the impact of less expectations?
8. What will happen if the donors don't provide/disburse adequate/expected levels of funds?
9. How will NAFTA affect the Mission's Strategic Objective?
10. What will be the impact of U.S. attitudes (political outcomes) on foreign investment and A.I.D. policy?
11. What will be the impact of the Salvadoran elections in 1994?

Synthesis

- **Has the value of production and export earnings increased in El Salvador as a result of the Mission's policy reform and program activities? And if not, why not?**
- **How have people benefitted? That is, what have been the impacts of these increases on employment, households' incomes, consumption and nutrition? And in particular, what has been the impact on the poor? and women?**

D. S.O. 3: Promote Enduring Democratic Institutions and Practices

1. Overview of the Strategy

Strategic Objective 3 - Promote Enduring Democratic Institutions and Practices

Indicator 1 - Public confidence in: Electoral Process; Justice Sector; Municipal Government; and Public Sector Financial Accountability

*Indicator 2 - Voter participation: National/Municipal; Male/Female

*Indicator 3 - Prison population held awaiting trial

*Indicator 4 - Amount of public resources audited

***Program Output 3.1 - Strengthen citizen participation in the decision-making process**

*Indicator 1 - Cantones (districts) participating in open town meetings

*Indicator 2 - Voters registered: Rural (Selected Municipalities); Youth; and Women

*Indicator 3 - Amount of resources generated in 133 Municipal Governments to enable them to respond to the needs of their citizens

***Program Output 3.2 - Improve procedural protection related to timeliness and impartiality in the judicial system**

Indicator 1 - Indigent detainees receiving legal council within 72 hours and with public defender present at arraignment

*Indicator 2 - Cases resolved in compliance with stipulated time periods in the criminal procedure code, within 3 pilot areas

*Indicator 3 - Legal and administrative reforms enacted and implemented

*Indicator 4 - Citizen access to information about justice system

***Program Output 3.3 - Improve public sector financial management and accountability**

*Indicator 1 - Implementing agencies with decentralized budget control systems in operation

*Indicator 2 - Executive agencies implementing the new accounting system

*Indicator 3 - Average Treasury payment processing time

*Indicator 4 - Professional audits completed and disseminated by Court of Accounts.

Note - The starred items indicate those which have been changed from the FY 1993 Action Plan submission.

Changes in the Strategic Objective

Remains the same.

Changes in Program Outputs

The review of key manager's questions and the performance table indicators showed that there was much overlap between previous program outputs. (Previously, program outputs 3.1 and 3.2 were, respectively, "Increase Civic Awareness and "Expand Channels of Communication and Participation.") Thus, the SO group collapsed the first two program outputs into one, "Increase citizen participation in the decision-making process." The program outputs targeting judicial reform was reworded to reflect the sum of the purpose of project activities in this area. Similarly, the SO group decided to focus program outputs in the area of accountability on public sector financial management practices, given the importance of reforms in this area and the Mission's commitment to these reforms as reflected in the corresponding new project beginning in 1994. As result, program outputs toward achievement of the strategic objective can be grouped in three categories: participation of citizens in decision-making, judicial enforcement, and public sector financial accountability.

To facilitate revising the strategy and supporting program outputs, the SO group identified which projects are *critical* to each program output, and which projects *enable* or support the program output. This approach also assisted with defining indicators and who would be responsible for gathering impact data. The results of this activity follow:

<p>Strategic Objective 3: Promote enduring democratic Institutions and Practices.</p>	<p>* <i>Projects that are critical to achieving the program output.</i></p> <p>- <i>Projects that enable achieving the program output.</i></p>
<p>Program Output 3.1: Strengthen citizen participation in the decision-making process.</p>	<p>* Democratic and Electoral Processes 0391</p> <p>* Social Stabilization and Municipal Level Government HCOLC</p> <p>* Municipal Level Democratic Development 0388</p> <p>- Strengthen Democratic Processes 0375</p> <p>- Legislative Strengthening 0360</p> <p>- CLASP 0361</p> <p>- Strength Achievement in Basic Education 0357</p> <p>- Health Systems Support 0308</p> <p>- AFILD 0368</p> <p>- FOES TF</p> <p>- Technical Support, Policy Analysis and Training 0349</p> <p>- FIU Journalism Project 598</p>
<p>Program Output 3.2: Improve procedural protection related to timeliness and impartiality in the judicial system.</p>	<p>* Judicial Sector Reform II 0376</p> <p>* SIU State Department Transfer 0383</p> <p>* (ESF) Policy Reform Support 0378</p> <p>- Judicial Reform I 0296</p> <p>- The Federation of Bar Associations 0373</p>
<p>Program Output 3.3: Improve public sector financial management and accountability.</p>	<p>* Technical Support, Policy Analysis and Training 0349</p> <p>* Public Confidence in Government 0396</p> <p>* (ESF) Policy Reform Support 0378</p> <p>- Legislative Strengthening 0360</p>

Changes in the Strategic Objective Indicators

The indicator for percentage of voters registered was moved to a program output indicator and replaced with "increase in voter participation," which the SO group decided would be a better impact indicator over a five to seven year horizon. In addition, two indicators were added to demonstrate impact in the area of human rights (i.e. everyone is due their day in court) and public sector transparency and accountability (i.e. the amount of the public budget that is checked by audits and made public to its citizens.) Thus, the strategic objective indicators can now be summarized to address impact on: citizen confidence in government; citizen participation; human rights; and financial accountability in government practice.

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Changes in the Program Output: Indicators

The changes to the program outputs, in turn, called for revising program impact indicators. The SO group decided that any previous indicator that targeted change in attitudes on the part of citizens could not show substantial impact over a two to three year time period, because impacting upon perceptions is a long term initiative. Thus, all attitudinal indicators previously reflected at the program output level will now be measured at the strategic objective level. Similarly, many of the previous program output indicators were actually project EOPs and thus were left to SAR reporting.

Program Output 3.1: Three indicators were identified to show: citizen participation (or direct representation) in municipal town meetings; citizen's registering to vote; and municipal capacity to increase a sustainable resource base in order to provide services to its citizens. The SO group felt that these indicators would give a comprehensive feel for the impact that the mission is having on strengthening citizen participation in the decision-making process.

Program Output 3.2: Four indicators are identified to demonstrate impact on judicial process. The first indicator reflects human rights reforms through tracking program impact on catalyzing public defence for detainees. The second indicator demonstrates program impact on court efficiency, which will improve confidence in the system and reduce corruption. The third indicator supports the institutional reforms needed to change the "rules of the game" in terms of how justice is administered throughout El Salvador. Finally, the SO group identified a need for measuring impact concerning the dissemination of information to citizens about their rights and how the reformed judicial system operates. Impact on these indicators will enable Mission management to assess progress toward improving procedural protection related to timeliness and impartiality in the judicial system. In addition, achieving these judicial reform targets at the program level are the building blocks for impact on the strategic objective indicators over the longer term.

Program Output 3.3: The four impact indicators identified by the SO group target measuring program impact on reforming all aspects of financial management in the public sector: budgeting, accounting, disbursement of public funds, and accounting for those funds. The Mission currently supports IMF and GOES Ministry of Finance efforts to reform accounting practices, as well as supports other public sector financial management reforms designed to increase transparency and reduce opportunities for corruption. The Mission will launch a full scale program with a new project in FY 1994, which is currently under design. The new project will contribute significantly to impact upon targets, which explains why targets are substantially greater after 1994.

2. Special Linkages and Evaluation Studies

None are scheduled at this time because all baseline information and impact assessments can be managed within existing project monitoring activities and budgets.

S.0.3

Promote Enduring
Democratic Institutions
and Practices

P.O.3.1

Strengthen Citizen
Participation in the
decision-making process

P.O.3.2

Improve Procedural
Protection Related to
Timeliness and
Impartiality in the judicial
system.

P.O.3.3

Improved Public Sector
Financial Management and
Accountability

gh.

USAID/EI Salvador DEMOCRATIC INITIATIVES STRATEGIC OBJECTIVE 3	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/ PROJECTS
Promote enduring democratic institutions and practices.	1) Increase in public confidence in: - Electoral Process - Justice Sector - Municipal Government - Public Sector Financial Accountability	1) Percentage increase in confidence (i.e. ranging from much confidence to no confidence)	- CID/Gallup Poll	The responsible offices will buy questions (\$400) into the on-going Gallup Polling (September and January) process, funded by the corresponding project or PD&S. The same question will be repeated every 1 and a half years, beginning with baseline information in January 1993 (i.e follow-up September 1994, January 1996, September 1997, etc.)	1.5 Years	OOI: - 0391 - 0378 IRD: - 0388 - HC0LC CONT: - 0349 - 0396 - 0378
	2) Increase in voter participation: - National/Municipal - Male/female	2) Percentage	- Election Tribunal Records - 1992 Census	This information will be collected by the Election Tribunal, with 1992 Census information providing the denominator total population. Baseline data is available from the 1990 presidential election and the 1991 municipal elections. The baseline for gender desegregated information will be established with the 1994 elections (Election Tribunal Records.) It is anticipated that the value of the baseline(s) may need to be revised with the 1992 Census results (not available until mid-1993).	National: 5 Years Municipal: 2.5 Years	OOI: - 0391
	3) Reduction in prison population held awaiting trial.	3) Percentage	- Court Records - Ministry of Justice Records	The percentage of total unsentenced detainees to the total prison population will determine the value for this indicator. The baseline is available from Court and MOJ records. Targets beyond 1994 will be determined during start-up activities within project 0378.	Annually	OOI: - 0378
	4) Amount of public resources audited.	4) Percentage	- Court of Account Reports	The percentage of total public resources budgeted and/ or expended to those audited will determine the value for this indicator. The baseline is 0%. Current Mission activities will have some impact on this indicator until 1995, when Project 0396 will start and substantially impact in this regard (reflected in increases in targets.)	Annually (beginning in 1995)	CONT: - 0396 - 0349
Evaluations/Special Studies None scheduled at this time.						

USAID/El Salvador PROGRAM OUTPUT 4.1	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/ PROJECTS
Strengthen citizen participation in the decision-making process.	1) Percentage of Cantones participating in open town meetings.	1) Percentage	<ul style="list-style-type: none"> • Secretariat for National Reconstruction • Municipal Records • CID/Gallup Poll 	Law requires the 262 municipalities in El Salvador to conduct at least 4 town meetings per year for its citizenry. Broad representation at these meetings is desired and therefore the number of cantones (districts) taking part in these meetings will be compared with the total number of cantones. Baseline and targets will be established in December 1992 with information from the Secretariat for National Reconstruction and Municipal records. In addition, feedback from the beneficiarios (citizens) will be solicited through an annual question (\$400) in the Gallup Poll concerning participation (or district representation) in the municipal decision-making process and measured in terms of the number of meetings attended (or attended by a representative from their district). This will enable getting a better feel for the real impact this indicator has on the program output. The question will be worded consistently every year in the Poll.	<u>Municipal records:</u> 6 Months <u>Gallup Poll:</u> Annually	<u>IRD:</u> <ul style="list-style-type: none"> • 0394 • 0388 • HCCLC
	2) Increase in voters registered: <ul style="list-style-type: none"> • Rural (selected Municipalities) • Youth • Women 	2) Percentage	<ul style="list-style-type: none"> • Electoral Tribunal Records • CID/ Gallup Poll 	There is one registry for both national and municipal elections. The Electoral Tribunal Records report the number of men and women registered for the 1994 elections. Baseline information will be available in December 1992, enabling corresponding targets to be established. Citizens will also be asked if they are registered to vote (discerning rural and youth participation) through a question (\$400) in the Gallup poll six months before elections. The 1992 Census will provide the total eligible voting population denominator.	Every 2.5 years (@ 6 months preceding elections)	<u>ODI:</u> <ul style="list-style-type: none"> • 0391
	3) Increase in amount of resources generated in 133 Municipal Governments to enable them to respond to the needs of their citizens.	3) Percentage of Municipal-generated resources to USAID assistance.	<ul style="list-style-type: none"> • Municipal Records 	USAID assists municipal governments to generate financial resources (through user fees and property taxes) in order to better respond to the needs of their citizens. This indicator will be calculated with a denominator of USAID assistance provided to the municipalities. The numerator will be the amount of money generated by the municipalities. An increase in the percentage of the revenues generated by the municipal governments will show a reduced dependency on USAID assistance and greater ability for municipal governments to respond to the needs of their citizens in a sustained manner.	Annually	<u>IRD:</u> <ul style="list-style-type: none"> • 0388 • HCCLC
<u>Evaluations/Special Studies</u> None scheduled at this time.						

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USAID/EI Salvador PROGRAM OUTPUT 3.2	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/ PROJECTS
<p>Improve procedural protection related to timeliness and impartiality in the judicial system.</p>	<p>1) Indigent detainees receiving legal council within 72 hours and with public defender present at arraignment.</p>	<p>1) Percentage</p>	<p>Justice System Records</p>	<p>The indicator will be calculated with a denominator of the total population of detainees. Both conditions must be present (council within 72 hours and defender present at arraignment) to be represented in the numerator population. The data for this calculation is reported to project 0296 and will continue to be tracked in follow-on project 0376 and reported in the SAR. Baseline and targets will be established in October 1992, with information from the MOJ.</p>	<p>6 months</p>	<p>ODI: - 0296 - 0376</p>
	<p>2) Increase percentage of cases resolved in compliance with stipulated time periods in the criminal procedure code, within (3) pilot areas.</p>	<p>2) Percentage</p>	<p>Court Records</p>	<p>The indicator will be calculated with a denominator of the total number of cases to be addressed by the Court in three project pilot areas. The cases resolved within the stipulated time period will comprise the numerator. Baseline and targets will be established in mid-1993 with the selection of pilot project areas for project 0376 and progress will be reported in the SAR.</p>	<p>6 Months</p>	<p>ODI: - 0296 - 0376</p>
	<p>3) Legal and administrative reforms enacted and implemented.</p>	<p>3) Number of Reforms implemented</p>	<p>Justice System Records</p>	<p>Project 0376 will track the number of reforms that are both enacted and implemented and report in the SAR. The baseline is zero and targets for 1992 and 1993 are established based on 0296 targeted interventions. Targets beyond 1993 will be established during the start-up of project 0376.</p>	<p>6 Months</p>	<p>ODI: - 0296 - 0376</p>
	<p>4) Increased citizen access to information about justice system.</p>	<p>4) Percentage of population reached.</p>	<p>CID/Gallup Poll</p>	<p>Projects 0296 (and later 0376) will buy a question into the Gallup Poll. The denominator will be the entire population of El Salvador (as determined by the 1992 Census) and the numerator will reflect those responding positively to the question. The question will ask citizens about an issue covered through project interventions concerning the justice system and the source of information (T.V., Radio, Newsletter, Seminars, other etc.) that contributed to their understanding of the issue. The baseline will be established in January 1993.</p>	<p>Annually</p>	<p>ODI: - 0296 - 0376</p>
<p><u>Evaluations/Special Studies</u> None scheduled at this time.</p>						

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USAID/El Salvador PROGRAM OUTPUT 3.8	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/ PROJECTS
Improve public sector financial management and accountability.	1) Increase in implementing agencies with decentralized budget control systems in operation.	1) Number of agencies	- Ministry of Finance Reports	There is no unified budget system in operation in the public sector. With the GOES passing legislation that is designed to decentralize budget control systems, Mission activities (0349) will contribute to developing and institutionalizing a system that can be applied in 1994. Targets beyond 1994 will be established with the design of the new project 0398, which will come on stream in late 1994.	Annually beginning 1994	<u>CONT:</u> - 0349 - 0378
	2) Executive agencies implementing the new accounting system.	2) Number of agencies	- Ministry of Finance Reports	There are not transparent accounting systems throughout the public sector. Mission activities (0349) support MOF and IMF efforts currently underway to reform public sector accounting practices. Targets beyond 1994 will be established with the design of new project 0398, which will begin in late 1994 and will have the purpose of reforming public sector financial management practices.	Annually beginning 1994	<u>CONT:</u> - 0349 - 0378
	3) Decrease in average Treasury payment processing time.	3) Percentage	- Ministry of Finance Reports	The average processing time for public sector payments from the Treasury is lengthy, due to the need for decentralization and reduced procedures. This translates into costly delays for suppliers (to the government) and limits the access of small suppliers from entering the market (due to the costs associated with payment delays.) The new project 0398 will target related reforms to the functions of the Treasury and will track payment processing time. Baseline and targets will be established accordingly in 1994.	Annually beginning 1994	<u>CONT:</u> - 0378
	4) Professional audits completed and disseminated by Court of Accounts.	4) Number of Audits.	- Court of Account Reports	There are no post-audits conducted on public resources budgeted and expended. Mission activities (0349) will contribute to developing and institutionalizing a system that can be applied in 1993. Targets beyond 1994 will be established with the design of the new project 0398, which will come on stream in late 1994.	Annually beginning 1994	<u>CONT:</u> - 0349 - 0378
<u>Evaluations/Special Studies</u> None scheduled at this time.						

USAID/EI Salvador DEMOCRATIC INITIATIVES STRATEGIC OBJECTIVE 3	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
					1992		1993		1994		1995		1996		1997	
			YEAR	VALUE	Planned	Actual	Planned	Actual								
Promote enduring democratic institutions and practices.	1) Increase in public confidence in: - Electoral Process - Justice Sector - Municipal Government - Public Sector Financial Accountability	1) Percentage increase in confidence (i.e. ranging from much confidence to no confidence)	1993	To be determined by Gallup Polling in January 1993 according to respective area	NA		TBD									
	2) Increased voter participation: - National/ Municipal - Male/female	2) Percentage	National: 1989 Municipal: 1991 M/F: 1994	52% TBD	NA		NA		TBD		NA		NA		TBD (Municipal)	
	3) Reduction in prison population held awaiting trial.	3) Percentage	1993	80%	NA		NA		80%		TBD		TBD		TBD	
	4) Amount of public resources audited.	4) Percentage	1992	0%	NA		5%		10%		40%		60%		80%	

USAID/EI Sector DEMOCRATIC INITIATIVES PROGRAM OUTPUT 3.1	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
			YEAR	VALUE	1992		1993		1994		1995		1996		1997	
					Planned	Actual										
Strengthen citizen participation in the decision-making process.	1) Percentage of Cantones participating in open town meetings.	1) Percentage	1992	TBD 12/92	NA		TBD									
	2) Increase in voters registered: - Rural (Selected Municipalities) - Youth - Women	2) Percentage	1992	TBD 12/92	NA		TBD									
	3) Increase in amount of resources generated in 133 Municipal Governments to enable them to respond to the needs of their citizens.	3) Percentage of Municipal-generated resources to USAID assistance.	1992	33%	33%		43%		54%		62%		100%		233%	

USAID/EI Salvador DEMOCRATIC INITIATIVES PROGRAM OUTPUT 3.2	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
					1992		1993		1994		1995		1996		1997	
			YEAR	VALUE	Planned	Actual										
Improve procedural protections related to timeliness and impartiality in the judicial system.	1) Indigent detainees receiving legal council within 72 hours and with public defender present at arraignment.	1) Percentage	1992	TBD 10/92	NA		TBD									
	2) Increase percentage of cases resolved in compliance with stipulated time periods in the criminal procedure code, within (3) pilot areas.	2) Percentage	1993	TBD	NA		TBD									
	3) Legal and administrative reforms enacted and implemented.	3) Number of reforms implemented.	1991	0	1	0	3		TBD		TBD		TBD		TBD	
	4) Increased citizen access to information about justice system.	4) Percentage of Population reached.	1993	TBD	NA		TBD									

USAID/EI Salvador DEMOCRATIC INITIATIVES PROGRAM OUTPUT 3.3	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
					1992		1993		1994		1995		1996		1997	
			YEAR	VALUE	Planned	Actual										
Improve public sector financial management and accountability.	1) Increase in implementing agencies with decentralized budget control systems in operation.	1) Number of agencies	1992	0	NA		0		5		TBD		TBD		TBD	
	2) Executive agencies implementing the new accounting system.	2) Number of agencies	1992	0	NA		5		TBD		TBD		TBD		TBD	
	3) Decrease in average Treasury payment processing time	3) Percentage	1994	TBD	NA		NA		TBD		TBD		TBD		TBD	
	4) Professional audits completed and disseminated by Court of Accounts.	4) Number of codes revised .	1992	0	NA		10		20		TBD		TBD		TBD	

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"MANAGER'S QUESTIONS"
STRATEGIC OBJECTIVE 3
ENDURING DEMOCRATIC INSTITUTIONS AND PRACTICES

S.O. Level

1. To what extent are democratic mechanisms used to resolve conflict?
2. To what extent do government policies respond to majority interest?
3. To what extent do citizens have more confidence in government?
4. Does El Salvador have a multi-party democracy?
5. Are there honest/open elections?
6. Are people voting
7. Do citizens have access to a wide variety of civic/private organizations?
8. Is there a fair/equitable system of justice (legal reform)?
9. Are public officials held accountable for the discharge of their public duties?

P.O. 4.1 and 4.2

1. Is there more citizen understanding/confidence in the electoral process?
2. Is there enhanced awareness of issues and government policies among citizens?
3. Is there an increase in voter participation?
4. To what extent are private organizations influential in the democratic process?
5. Is there more access (consultation) to government?
6. Is there more participation at the municipal level?
7. Are schools promoting civic education?
8. Are civic organizations promoting civic awareness?

P.O. 4.3

1. Have basic government services been decentralized?
2. To what extent has government role in the economy been decreased?
3. Is there confidence in representative government?
4. Are people paying taxes (municipal/national)?
5. Is the municipal delivery of services transparent?
6. Is there public dissemination of audit findings of public institutions?
7. Is the government processing payments in a timely manner?
8. Are financial reports of public expenditures issued in a timely manner?

P.O. 4.4

1. Are human rights, drug trafficking and other priority cases being resolved transparently and on a timely basis?
2. Has court congestion been reduced?
3. Is the National Council of the Judiciary functioning? Are judges/lawyers qualified?
4. Are criminal cases processed in a timely and fair manner?
5. Is there less corruption in the courts?
6. Is justice administered equally throughout the country?

3. Outstanding Concerns, Issues and Recommendations

Generally, this TDY enabled the SO group to clearly identify outputs, supporting indicators, and to establish a system to report impact on promoting enduring democratic institutions and practices in El Salvador. Where baseline (or target) information is not available, a plan was identified as to how those measures would be established (as reported in the corresponding tables.)

When following through on the M&E Plan for Democratic Initiatives (DI), it should be noted that the source for all information on impact (whether strategic objective or program) are the supporting projects. Yet, impact at the program or strategic objective level is often not a monitoring concern in day to day project management functions. Similarly, responsibility for measuring and reporting on impact on the DI strategy and supporting programs crosses technical offices. Thus, the program office most likely will have to look at the *larger* picture in terms of what the synthesis of all this data might mean, perhaps bringing these issues up at the time of SAR reporting (in addition to the time of developing the Action Plan). Institutionalizing the SO groups within the Mission would assist in this regard (as offered in the general recommendations in Chapter 1, Section C.)

E. S.O. 4: Healthier and Better Educated Salvadorans

1. Overview of the Strategy

Strategic Objective 4 - Healthier and better educated Salvadorans

- *Indicator 1 - Number of years to complete per 6th grade graduate
- Indicator 2 - Infant mortality rate
- Indicator 3 - Child mortality rate
- Indicator 4 - Maternal mortality rate
- Indicator 5 - Malnutrition level

Program Output 4.1 - Increased efficiency and effectiveness of the K-6 educational system

- *Indicator 1 - Net enrollment and completion
- *Indicator 2 - Rate of promotion at specific grade levels
- *Indicator 3 - National achievement test scores in math and language for grades 1-6

Program Output 4.2 - Increased contraceptive prevalence

- Indicator 1 - Contraceptive prevalence

Program Output 4.3 - Increased number of Salvadorans receiving health and child survival services

- Indicator 1 - Basic services coverage
- *Indicator 2 - Children vaccinated (complete series)
- Indicator 3a - Prenatal care coverage
- *Indicator 3b - Deliveries by trained personnel

*Program Output 4.4 - Increased number of rural Salvadoran households with access to potable water and latrines

*Indicator 1 - Rural households with access to potable water

*Indicator 2 - Rural households with access to latrines

Note - The starred items indicate those which have been changed from the FY 93-94 Action Plan submission.

Changes in Strategic Objective or Program Output

The only change in the Program Outputs was for P.O. 4.4, which was modified to specify rural households only. The order of the program outputs was changed to put education first, since group members from the education program felt that putting education behind three health-related outputs could mean that the education output might be overlooked or considered to be of lesser importance.

Changes in Indicators - Strategic Objective Level

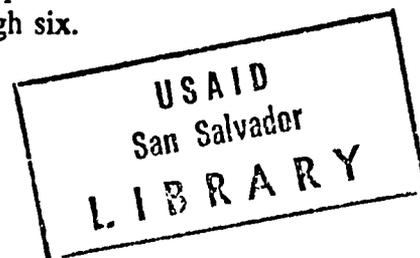
The education performance indicator for S.O. 4 was revised. The current indicator, number of years to complete, is a high-level, long-term indicator that accounts for years lost to repetition and drop out. This is a better indicator of **efficiency** than the prior indicator, number of graduates. However, improvements will be gradual and incremental, since this accounts for the overall efficiency of all six grades, which will be improved in sequential order. Data will be disaggregated by gender.

Changes in Indicators - Program Output Level

All of the indicators for Program Output 4.1 were changed. The first indicator, net enrollment and completion, is more appropriate for the program output level. It measures **efficiency**; data will be disaggregated by gender. The previous indicator, years to complete, was too high and long term, and was moved to the S.O. level. For 1992 only, gross enrollment of children of any age will be reported; net enrollment requires additional calculation, which will be done beginning 1993.

The new Indicator 2, rate of promotion, is a more positive measure of progress in improving the educational system by improving teachers' instructional capabilities and curriculum and instructional materials. Promotion is an intermediate indicator of **effectiveness** and **efficiency**.

Indicator 3, achievement test scores, provides a better and more available measure of **effectiveness** than the prior indicator, percent of learning objectives. Achievement tests for all six grades will be developed and administered in 1993, but improvements in test scores will show up sooner in the lower grades than in the higher grades, as improved instructional methods and materials are developed and introduced from grade one through six.



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Indicators for Program Output 4.3 were slightly modified: "(complete series)" was added to Indicator 2 on children vaccinated to more clearly define what is to be measured, e.g. only those children who have received the full basic vaccination series. Indicator 3b was changed from "professional deliveries" to "deliveries by trained personnel" to make clear that deliveries by trained midwives and traditional birth attendants are included.

The two indicators for Program Output 4.4, as well as the output statement itself, were changed to specify rural households only, since project activities supporting this output operate only in rural areas.

2. Special Linkages and Evaluation Studies

An internal mission study is currently being carried out by OET to review basic education baseline data and verify its accuracy. This does not require any additional budget.

HPN is considering conducting a special study on prenatal care and deliveries to supplement MOH service statistics. A Salvadoran institution would be contracted to do this, at an estimated cost of \$50,000.

3. Outstanding Concerns, Issues and Recommendations

Attribution

Concerns were raised with the Strategic Objective workgroup regarding the S.O. performance indicator on malnutrition level. The argument made by HPN was that the most effective interventions to reduce malnutrition are family planning programs which promote child spacing, basic health services such as pre- and postnatal care and immunizations, and reduction of diarrheal disease, rather than direct food distribution programs. Further, HPN is confident that the mission program will impact on malnutrition levels. The team members recognize the validity of this argument, but still question whether reducing malnutrition is within the manageable interest of the mission's health program within the stipulated timeframe, and whether the relationship between the interventions supported by the mission and nutritional levels is sufficiently direct. Demonstrating the nutritional impact of health and family planning interventions certainly reinforces the mission's case for overall health impact; the question is whether the mission should be held responsible for achieving direct nutritional impact. The team believes that demonstrating plausible attribution and impact may be difficult due to the effects of other potential variables beyond health interventions, and therefore suggests that the mission reconsider use of malnutrition level as a performance indicator for S.O. 4.

Coverage and Impact

An issue arose with regard to determining and measuring basic health service coverage (Indicator 1 under Program Output 4.3). It was suggested that measuring coverage as a percentage of target communities might more clearly demonstrate impact than use of number of communities served by the Community Health Service. However, it appears that there is no clear definition of what constitutes a community (e.g. a defined number of households), making

it very difficult to determine a target universe of communities. The current unit of measurement has therefore been retained (number of communities served); coverage targets are based on the MOH's estimate of communities most in need of basic health services, together with MOH capacity to supervise and support the community health workers serving these communities. If more reliable information becomes available (e.g. through new census data) and progress at more clearly defining communities is made, a percentage measure would be preferable.

Similarly, the lack of a clear, universally accepted definition of urban and rural communities affects establishment of a baseline and coverage targets; this arose as an issue for the health and water and sanitation outputs (P.O.s 4.3 and 4.4). The group decided to use the MOH definitions of communities (150 to 700 houses, approximately 900 - 5600 persons) for both these outputs, pending development of a more comprehensive definition.

Availability of Data

The education sector Program Output 4.1 reports problems with data quality, reliability and validity. For this reason, OET is carrying out the field-based audit of data referred to in Section 2 above. Also, while considerable data are available from MOE, OET's calculation of the data for indicators could not be completed during the TDY. A short-term consultant will be employed under the SABE project to review available data from the MOE and to determine its reliability. The consultant will suggest appropriate baseline data, including definition of the indicators.

Another issue discussed in reviewing indicators and data sources for health was availability of reliable data on an annual basis. The periodic FESAL survey (which will incorporate the ESANES data as well beginning in 1993) is considered to be the most reliable sources of data because it uses a reliable, well-documented and comparable methodology. This survey is only conducted every five years, but there is sufficient retrospective data to permit linear projections with a reasonable degree of confidence. These projections will then be checked against the next survey's actual numbers. HPN indicates that this method is the most reliable means available for estimating annual progress.

With regard to Program Output 4.4, the water and sanitation component of the principal project contributing to this output, the Public Services Improvement Project (519-0320), has recently been reexamined; activities were halted during this review. The original targets based on numbers of wells and latrines to be constructed have been recast to focus on the percentage of rural households served, but reliable baseline data is not yet available because of the substantial population shifts which have occurred over the past months, especially since the peace accords. This problem is particularly acute in the ex-conflictive zones, for which information has been almost totally lacking, making it very difficult to establish either baselines or targets. Furthermore, the implementation modalities of the water and sanitation component are being changed to include wells and water systems restored or constructed using community labor as well as wells drilled by private sector contractors, which has implications for coverage targets. Rather than perpetuate baseline and target figures which are likely to be inaccurate, IRD and the team agree that a review of baseline and target figures is necessary; these figures should

also take into account impact as a result of other mission projects such as Municipalities in Action, NRP and Save the Children which include contributory activities. The mission will develop new baseline and target figures for this Program Output by the end of the 1992 calendar year.

Conclusions

Most of these issues concern quite unsurprising problems with defining coverage and getting reliable information in a country which is just emerging from a major upheaval. In overall terms, the social sector programs are in good shape and have a clear and well-focused approach to outputs and indicators. As new information becomes available, the remaining problems should diminish and the education, health and water & sanitation programs should be able to demonstrate substantial impact within the timeframe established for achieving the strategic objective.

S.0.4

Healthier & Better Educated Salvadorans

P.O.4.1

Increased Efficiency and Effectiveness of the K-6 Educational System

P.O.4.2

Increased Contraceptive Prevalence

P.O.4.3

Increased Number of Salvadorans Receiving Health and Child Survival Services

P.O.4.4

Increased Number of Rural Salvadoran Households with Access to Potable Water and Latrines

USAID/El Salvador STRATEGIC OBJECTIVE 4	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE
Healthier and better educated Salvadorans Key Assumptions: 1) 1994 elections in El Salvador do not change basic government policies. 2) GOES fulfills its promise to increase funding for social sector. 3) El Salvador remains at peace and there are no major natural disasters. 4) The GOES and PVOs obtain and continue to have complete access to formerly conflictive zones. 5) The economy continues to improve. 6) AID continues funding existing commitments.	1) Number of years to complete per 8th grade graduate (Total,M,F)	Number of years	MOE	MOE Annual Education Statistical Report	Annual	OET/SABE
	2) Infant mortality rate	/1000	FESAL	The FESAL family health survey is conducted every five years by the Salvadoran Demographic Association (SDA) and the Centers for Disease Control (CDC). The last survey was in 1988; the next are in June 1993 and June 1998.	Every five years; annual estimate based on last survey	HPN - ADS, CDC, MOH
	3) Child mortality rate	/1000	FESAL	See above	Annual estimate	HPN - ADS, CDC, MOH
	4) Maternal mortality rate	/100,000	FESAL	See above	Annual estimate	HPN - ADS, CDC, MOH
	5) Malnutrition level Chronic Moderate Severe	Percent	FESAL*	See above	Annual estimates	HPN
Evaluations/ Special Studies 1) Education Sector Assessment 2) Health Sector Assessment	Purpose Scheduled assessment of status, progress and policies in the education sector at all levels. Scheduled assessment of status, progress and policies in the health sector.	MOE, MIPLAN, MINFIN, Municipalities, field data MOH, MIPLAN, MINFIN, Municipalities, field data	Field survey and program and policy review and analysis. See above	One-time, late 1993-early 1994 Est. cost: \$600,000 See above	OET HPN	

*Beginning in 1993, the FESAL Survey will incorporate the ED-ONE's nutrition survey which was previously conducted separately.

USAR/VEI Salvador PROGRAM OUTPUT 4.1	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/PROJECTS
Increased efficiency and effectiveness of the K-6 educational system	1) Net enrollment and completion	Percent of children age 7-12 enrolled in grade 1-6 (Total, M,F) Percent of children starting 1st grade who complete 6th grade (Total, M,F)	MOE	MOE Annual Education Statistics Report	Annual	OET/SABE
	2) Rate of promotion at specific grade levels 1st grade 2nd grade 3rd grade	Percent of children enrolled in a grade who are promoted 1st grade 2nd grade 3rd grade	MOE	MOE Annual Education Statistics Report	Annual	OET/SABE
	3) National achievement test scores in math and language for grades 1-6	Test scores achieved in each grade 1-6	MOE	MOE Annual Education Statistics Report	Annual	OET/SABE
Evaluations/Special Studies 1) Review of baseline data	Purpose Review baseline data for validity to verify accuracy of baseline.	OET	Review and validation of baseline data through a field survey by OET.	One-time internal mission study, no additional cost	OET	

USAID/EI Salvador PROGRAM OUTPUT 4.2	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/PROJECTS
Increased contraceptive prevalence	Contraceptive prevalence Metropolitan Other Urban Rural Overall	Percent	FESAL	Survey conducted every five years; next ones are in 1993 and 1998.	Annual estimate based on last survey	HPN - ADS, CDC, MOH
Evaluations/Special Studies	Purpose					

USAID/EI Salvador PROGRAM OUTPUT 4.3	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/PROJECTS
Increased number of Salvadorans receiving health and child survival services	1) Basic services coverage	Number of communities served by CHS	MOH/PVO Annual Reports	Annual Reports by MOH Department of Community Health and PVOs supporting community health workers (CHWs), on numbers of CHWs working.	Annual - MOH Report each January	HPN - MOH
	2) Children vaccinated (complete series)	Percent of all children under 5	MOH statistics FESAL	MOH statistics provide annual data on vaccination; FESAL survey conducted every five years provides a check on accuracy of MOH data.	Annual	HPN - MOH, ADS, CDC
	3a) Prenatal care coverage 3b) Deliveries by trained personnel	Percent of women	MOH statistics FESAL	MOH statistics provide annual data on service and deliveries; FESAL survey every five years provides a check on accuracy of MOH data.	Annual	HPN - MOH, ADS, CDC
Evaluations/Special Studies 1) Special study on prenatal care and deliveries	Purpose To supplement MOH reports on women receiving prenatal care and deliveries assisted by trained personnel		Special study by contractor	To be defined	Timing to be defined; estimated cost: \$50,000	AID contractor and Salvadoran institution to be determined

USAID/EI Salvador PROGRAM OUTPUT 4.4	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/PROJECTS
Increased number of rural Salvadoran households with access to potable water and latrines	1) Rural households with access to potable water	Percent of households served	1) WASH Report 2) 1992 Census 3) FESAL	1) Annual report on population with access to potable water and sanitation facilities. 2) New census data on rural population, water/sanitation. 3) Survey done every 5 years; linkage between diarrheal disease prevalence and water & sanitation (health impact data)	Annual or annual estimates based on census and survey data	IRD 519-0320 519-0364 519-0367 LC-MEA
	2) Rural households with access to latrines	Percent of households served	1) WASH Report 2) 1992 Census 3) FESAL	See above	Annual; annual estimates	IRD 519-0320 519-0364 519-0367 LC-MEA
Evaluations/Special Studies 1) 1993 evaluation of Project 0320, Public Services Improvement	Purpose Scheduled evaluation; determination of progress toward targets.				2/28/93	

STRATEGIC OBJECTIVE 4	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
					1992		1993		1994		1995		1996		1997	
			YEAR	VALUE	Planned	Actual										
Healthier, better educated Salvadorans	Number of years to complete per 6th grade graduate	number of years	1989	13.2												
	Infant Mortality Rate	/1000	1988	50/1000	48		46		44		43		42		41	
	Child Mortality Rate	/1000	1988	23/1000	23		22		22		21		21		20	
	Maternal Mortality Rate	/100,000	1988	126,000	116		114		110		108		105		103	
	Level of Malnutrition	Percent	1988													
	Chronic		30.0	29.5		29.0		28.0		28.0		27.0		25.5		
	Moderate		15.0	13.0		13.0		12.0		12.8		11.5		11.0		
	Severe		5.3	5.0		5.0		4.9		4.8		4.6		4.4		

PROGRAM OUTPUT 4.1	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
					1992		1993		1994		1995		1996		1997	
					Planned	Actual										
YEAR	VALUE															
Increased efficiency and effectiveness of the k-6 educational system	Net enrollment	Percent of children age 7-12 enrolled in grd 1-6 Total male female	1990	To be reviewed and re determined in 1992												
	Completion	Percent of children starting 1st grd who complete 6th grd Total male female	1990													
	Promotion Rate at specific grd levels 1st 2nd 3rd	Percent of children enrolled in a grd who are promoted	1990	To be reviewed and re determined in 1992												
	National achievement test scores in math and language for grades 1-6 math-grade 1 2 3 4 5 6 language-grade 1 2 3 4 5 6	Test scores achieved in each grd 1-6 for math and language		To be determined in 1993												

PROGRAM OUTPUT 4.2	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
					1992		1993		1994		1995		1996		1997	
			YEAR	VALUE	Planned	Actual										
Increased contraceptive prevalence	Contraceptive prevalence	Percent	1988													
	Metropolitan		64	66	67	68	55	69	70							
	Other urban		56	58	58	59	60	61	62							
	Rural		34	35	36	37	38	39	40							
	Overall		47	50	51	52	53	53					54			

PROGRAM OUTPUT 4.3	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
					1992		1993		1994		1995		1996		1997	
			YEAR	VALUE	Planned	Actual										
Increased number of Salvadorans receiving health and child survival services	Basic services coverage	Number of communities served by CHS	1991	579	750		960		960		1000		1050		1075	
	Children vaccinated (complete series)	Percent of all children under 5	1988	75	79		80		82		83		84		85	
	Prenatal care coverage	percent of women	1988	67.5	70		70		71		72		73		74	
	Deliveries by trained personnel			44.0	50		51		53		55		57		59	

PROGRAM OUTPUT 4.4	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS												
					1992		1993		1994		1995		1996		1997		
			YEAR	VALUE	Planned	Actual											
Increased number of rural Salvadoran households with access to potable water and latrines	Rural households with access to potable water	percent of households served															
	Rural households with access to latrines	percent of households served															

"MANAGER'S QUESTIONS"
STRATEGIC OBJECTIVE 4
HEALTHIER AND BETTER EDUCATED SALVADORANS

1. How can we reconcile the need to demonstrate short-term performance with the inherently long-term impact of health and education interventions?
2. How can we demonstrate impact within the program timeframe, beyond indicators of inputs and outputs?
3. How can we build in sufficient flexibility to allow for changes in the country situation which may affect impact assessment (e.g. need for new baseline data, changes in assumptions); how can we avoid getting locked into indicators which may no longer be functional?
4. How can we get accurate data to measure progress and impact?
5. How can we determine what level of per capita investment is appropriate to achieve a given impact? e.g. what is the relation between greater investment and greater impact?
6. Suggestions for determining impact:
 - 4.1 Child spacing increases
 - Contraceptive prevalence
 - Access to services
 - 4.2 Reduced mortality, reduced disease incidence, increased weight-for-height
 - Vaccination rates
 - Access to prenatal, postnatal services
 - 4.3 Reduced incidence of diarrheal disease
 - Access to potable water
 - Access to latrines
 - 4.4 Appropriate age for grade, completion rate, years to graduate
 - Retention rate
 - In-grade achievement
 - Access to school

F. S.O. 5: Improved Environment and Natural Resource Management

1. Overview of the Strategy

Strategic Object 5 - Improved Environmental and Natural Resource Management

Indicator 1 - Number and % of hectares of non-forested land under improve natural

resources management

*Indicator 2 - Water quality in agricultural areas

*Indicator 3 - Water flow

Indicator 4 - Forest Cover

Program Output 1 - Natural Resource Use Policy/Legal Framework Created and Implemented

Indicator 1 - Environment and natural resource management strategy established

Indicator 2 - Selected policies implemented

Program Output 2 - Increased Public Awareness of Environmental Problems in Target Areas and Nationwide

Indicator 1 - Percent of survey respondents indicating understanding and awareness of environmental issues, by sex - in target areas

Indicator 2 - same as above, but nationwide

Program Output 3 - Improved Productive Activities Which are Consistent with better Natural Resource Management

*Indicator 1 - Number of producers undertaking improved natural resource management activities, by sex

Note - The starred items indicate those which have been changed from the FY 93-94 Action Plan submissions.

Changes in Indicators - Strategic Objective Level

No changes were made in the strategy for this strategic objective. Slight changes were made in the program performance indicator concerning water quality. This indicator was split into two, one which will measure turbidity (amount of soil in the water), and one which will measure average water flow, which gives an indication of the water retentiveness of the soil. The change was made to give greater attention and specificity to the problem of soil erosion in El Salvador. In the Action Plan, this indicator lumped together several different measures of water quality, some of which would be difficult and expensive to measure.

Changes in Indicators - Program Output Level

The indicator for Program Output 3 was also changed from counting the number of enterprises undertaking improved NRM activities to counting the number of producers. This focus will allow project managers to understand the differential adoption of NRM activities between women and men producers, and to talk to them about the effectiveness of extension activities used to promote NRM practices. These measurements will only be taken in the project areas, and will include data for the PROMESA project as well as for four other existing agriculture-related projects in the ANR Office (0392,0327,0382,0362).

2. Special Linkage and Evaluation Studies

a. The PROMESA project has made the creation and implementation of a natural resource use policy and legal framework a central piece of the project strategy to protect the environment. After PROMESA is several years into implementation and there have been some successes in promoting the adoption and implementation of policies and regulations that will benefit the environment, the ANR Office may want to test the link between the assumption that the targeted policies do affect producer behavior and use of environmental resources (through, for example, the adoption of natural resource management techniques). Very few Missions have actually tested this assumption. USAID/El Salvador could make a very big contribution by pioneering a model for conducting this type of study, which other Missions with significant environmental policy programs could emulate. This study could be incorporated into PROMESA's mid-term or final evaluation.

Another possibility to measure the impact of policy and regulatory change is to include questions about the effects of existing laws and regulations regarding resource use as part of the nationwide survey that PROMESA plans to undertake on knowledge and attitudes about the environment. This survey is planned for 1993, and may be conducted on an annual basis.

b. The PROMESA project may wish to collect baseline information on the income of a sample of producers in the targeted areas ("Action Areas"). During the mid-term and/or final evaluation of the PROMESA project, income increases due to the adoption of NRM practices can be assessed. This would be an important study since one of the primary incentives for producers to adopt these technical packages is the promise of increased income. These data should be collected by sex of the producer, and by any other variable that project managers deem important. At the same time, the evaluation could collect data on the adoption of NRM practices which would shed light on the effectiveness of project-supported extension services, and the efficacy of the practices being promoted for different classes of producers.

These two proposed studies essentially test the link, or hypothesis, between the strategy chosen by the Mission and the achievement of the strategic objective. Neither of these two suggested studies should incur costs that are much beyond those allocated for the PROMESA M&E system and for the project mid-term and final evaluations. The major cost is for the analysis of the data collected.

3. Outstanding Concerns, Issues, and Recommendations

The indicators that were chosen for tracking the impact of the environment strategic objective are the same ones that are being tracked by ongoing projects in the ANR Office. The indicators for the PROMESA project M&E system also include indicators that will be used for the strategic objective M&E system. (This project is still in design phase.) Thus, no new costs will be incurred for data collection and analysis beyond that which has already been planned and allocated. Except for data on hectares of land under improved NRM, and on number of producers using improved NRM practices, there are as yet no baseline data for the strategic objective and program output indicators. However, plans have been made to collect baseline data

for the remaining indicators once the ANR Office begins implementing the PROMESA project in 1993.

Setting Performance Targets

Once baseline data have been collected, performance targets must be set for each indicator. Not all indicators should be measured each year. For reasons of expense, for example, data on forest cover will be collected and analyzed every two years. Similarly, the El Salvador environment and natural resource management strategy will be updated every two years.

In the case of data for progress on the PROMESA policy reform agenda, targets for the year that passage of decrees and legislation is expected should be given a best estimate based on the ANR Office's knowledge of the relevant ministries and institutions.

Recommendation

PROMESA project implementors may also want to develop a policy and legislative matrix to track progress in implementation, application, and enforcement once the decrees and legislation have been passed. The Environment Strategic Objective Group discussed the fact that there are too many instances of laws passed and then ignored. Thus, progress on implementation of policies and legislation should be part of the ongoing policy dialogue between USAID/San Salvador and the ministries involved. This is an important component because PROMESA assumes that the targeted policies will be responsible for changes in natural resource management practices in El Salvador outside of the project "action areas."

Completing Baseline Data for the Strategic Objective

To complete the 1992 baseline data for the indicator on hectares of land under improved NRM, an individual in the ANR Office should contact FAO and CATIE to obtain their statistics. The PROMESA project implementors on the ANR Office staff should satisfy themselves that FAO and CATIE are collecting data on this indicator in a way that is acceptable to them. For example, at what point can a hectare be said to be under improved NRM practices? This definition will have to be created for each project, and then be used consistently. Future performance targets will be higher once the PROMESA project is several years into the implementation process. This should be taken into account when setting performance targets for 1995 through the end of the project.

Data on water quality and water flow will be collected in 1993 as an early task for project implementation inside the action areas. The Environment Strategic Objective Group also discussed issues related to measuring forest cover. The primary goal here is to halt further declines in forest cover. Plans were made to have satellite photos taken of forest coverage in March/April. This is the height of the dry season, and thus tree cover will stand out much clearer. Group discussants mention that there may be an initial decline in forest cover as excombatants and war refugees return to their villages and begin farming once again in areas which were heavily involved in the war. These areas in particular will be closely examined to

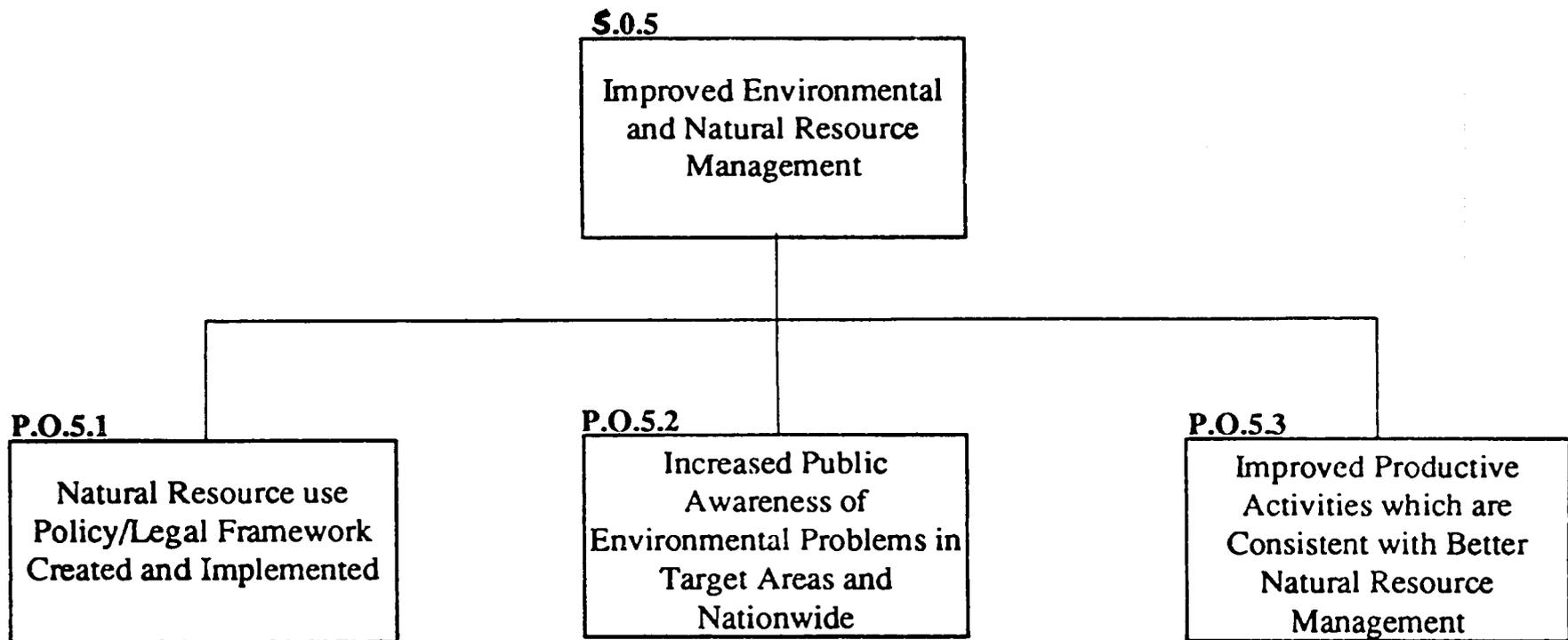
see if the reestablishment of agricultural activities does affect forest cover. If there is a significant difference, the baseline year may have to be recalculated.

Recommendation

Someone in the ANR Office will need to be responsible for aggregating PROMESA project data on hectares of land under improved practices, and producers using improved NRM practices, with similar data from existing projects in the ANR Office. These are the NTAE project, the Coffee Technology Transfer project, the Agribusiness Development project, and the Rural Enterprises Development II project. These four projects are already routinely reporting data on this basis as seen in the SAR. However, the project implementors will have to be asked to collect these data disaggregated by sex of the producer.

Overall Recommendation

I recommend that a specialist in monitoring and evaluation be hired by the implementors of the PROMESA project. This individual could be charged with making certain that data for the PROMESA M&E system is being collected routinely, using the same methodology for each indicator, and passing these data on a routine basis to the project chief of party and project managers in USAID/El Salvador. The individual will undoubtedly also need to work with implementing NGOs and SEMA on data collection for both PROMESA project records (goal, purpose, and output levels), and for data collection relevant to the USAID's strategic objective on the environment. Fortunately, data required for the PROMESA project M&E system at the goal and purpose level, are the same data that are required for the USAID's strategic objective. Therefore, no extra data collection costs will be incurred for monitoring the strategic objective above and beyond the costs already calculated for the project monitoring and evaluation system.



USAID/EI Salvador STRATEGIC OBJECTIVE 5	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/PROJECTS
<p>Improved Environmental and Natural Resource Management</p> <p>CRITICAL ASSUMPTIONS:</p> <p>The peace accord and political and social stability are maintained in El Salvador.</p> <p>Newly elected Gov. in 1994 continues to implement and monitor environmental policies and regulations.</p> <p>GOES budget remains adequate to sustain NRM activities.</p> <p>Normal weather patterns prevail and no natural disasters occur during life of the program.</p>	<p>1) # and % of Hectares of Non-forested land under improved natural resource management including buffer zones</p>	<p>1) Hectares</p>	<p>1)- PROMESA project M&E system - NTAE project M&E system - Coffee Tech Transfer project M&E system - Agribusiness Dev. project M&E system - Rural Enterprises Dev II project M&E system - FAO statistics - CATIE statistics</p>	<p>1) Statistics from ongoing project M&E systems will be used, and aggregated with statistics from FAO and CATIE. Each project will have to define at what point a hectare can be said to be under improved NRM practices, and this definition will have to be used consistently for each practice. Spot sample surveys should probably be undertaken in each project area every two years to verify that improved practices have indeed been undertaken.</p>	<p>1) Annual</p>	<p>1) ANR Office</p> <p>519-0385 519-0392 519-0327 519-0382 519-0382</p>
	<p>2) water quality in agricultural areas</p>	<p>2) Turbidity</p>	<p>2) PROMESA Water Quality Study CENREN</p>	<p>2) Study taken to assess amount of soil in water in target areas. This should decrease over time as soil erosion prevention techniques are adopted. Seasonal measures will be taken during the dry and rainy seasons to obtain an average annual figure, and will be compared against actual rainfall patterns during a given year. Turbidity measures should be taken at specified points of observation in target areas. In later years of the project, new observation points outside targeted areas must be included to measure the spread of NRM practices nationwide.</p>	<p>2) Annual</p> <p>Note: an annual average figure will be reported, but actual measures will be taken on a seasonal basis.</p>	<p>ANR Office</p> <p>519-0385</p>
	<p>3) seasonal water flow</p>	<p>3) Volume per second</p>	<p>3) CENREN</p>	<p>3) This is a measure of water retention which should improve with the adoption of soil conservation practices. It can be measured through flow gauge which permit calculation of a channel discharge (volume per second) at the points of observation. Measurements should be taken in target areas in same location as measures of turbidity are taken. These measures should also be taken at several times during the dry and rainy season to obtain an average annual measure, and be compared against actual rainfall patterns.</p>	<p>3) Annual</p> <p>See Note above.</p>	<p>ANR Office</p> <p>519-0385</p>
	<p>4) Forest cover</p>	<p>4) Hectares</p>	<p>4) Satellite photos</p>	<p>4) Satellite Photos will be used to assess the level of deforestation. Program activities are designed to halt the further decline in forest cover. There may be a decline in forest cover if formerly conflictive areas are brought under cultivation. Once this occurs, the baseline may have to be recalculated.</p>	<p>4) Every 2 yrs.</p>	<p>ANR Office</p> <p>519-0385</p>
<p>Evaluations/Special Studies</p>						

USAID/El Salvador PROGRAM OUTPUT 6.1	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICIALS/ORGANIZATIONS
Natural Resource Use Policy/Legal Framework Created and Implemented	1) Establish Environment and Natural Resource Management Strategy	1) YES/NO (strategy exists)	1) SEMA	1) Finalization of strategy will be accomplished by meetings with departments to add regional environmental problems and their proposed solutions to the overall strategy.	1) Update every 2 yrs.	ANR Office 519-0385
	2) Selected Policies Implemented a. National Envir. Ed. Policy b. Consolidation and refinement of existing laws and regs including: i. Forestry Law ii. Soils Law iii. Irrigation and Drainage Law c. Establishment of Environ. Code d. Investment in monitoring envmtl. quality e. Investment in protected areas f. Land debt forgiveness to small farmers and cooperatives in exchange for adoption of soil conservation practices (debt for nature swap)	2) Policy decrees and/or legislation a. decree b. legislation Note: b.i-iii are important components of what will be the Env. Code. c. code d. & e. MAG budget and/or donor budget allocation f. decree	2) Diario Oficial	2) Passage of policies, laws and regulations will be tracked by SEMA. 2.b. i-iii, although part of the to be developed Environmental Code, will be tracked separately because of the high level importance of these 3 pieces of legislation	2) Reported Bi-annual	ANR Office 519-0385
Evaluations/Special Studies: Assess impact of policies and regs. governing NRM practices on resource users.	Purpose: After PROMESA project is several years into implementation, ANR may wish to conduct a special study to assess the extent to which people are changing environmental use patterns due to changes in environm policies and regulations.					

USAID/EJ Salvador PROGRAM OUTPUT 5.2	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/PROJECTS
Increase Public Awareness of Environmental Problems in Target Areas and Nationwide	1) % of survey respondents indicating understanding and awareness of environmental issues: Target Areas	1) respondents by sex Note: ANR may wish to add other variables such as age, socio-ec. status, etc.	1) PROMESA Survey	1) Environmental Awareness Survey to Assess Localized Environmental Education Efforts	Annual	ANR Office 519-0385
	2) % of survey respondents indicating understanding and awareness of environmental issues: Nationwide	2) respondents by sex same Note as above	2) Envir. Awareness Panel Study	2) Survey to Assess National Environmental Awareness Attitudes	Annual	ANR Office 519-0385
Evaluations/Special Studies						

USAID/EJ Salvador PROGRAM OUTPUT 5.3	INDICATOR	UNIT OF MEASUREMENT	DATA SOURCES	METHOD/ APPROACH	HOW OFTEN	RESPONSIBLE OFFICE/PROJECTS
Improve Productive Activities which are Consistent with better Natural Resource Management	1) # of producers undertaking improved natural resource management activities	1) producers - by sex	1)- PROMESA project M&E - NTAE project M&E - Coffee Tech. Transfer project M&E - Agribusiness Dev. project M&E - Rural Enterprises Dev. II project M&E	1) M&E Systems of Projects listed at left. For each project, improved natural resource management activities must be defined. At what point can a producer be counted as having adopted improved NRM activities? .	1) Annual	ANR Office 519-0385 519-0392 519-0327 519-0382 519-0362
Evaluations/Special Studies	Purpose: Once PROMESA is two years into implementation, ANR may wish to undertake sample surveys in project target areas every two years to verify that improved practices are being adopted. Survey will also serve as a check on effectiveness of extension services.					

USAID/El Salvador STRATEGIC OBJECTIVE 8	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS												
			YEAR	VALUE	1992		1993		1994		1995		1996		1997		
					Planned	Actual											
Improved Environment and Natural Resources Management	1) a. No. of Hectares of Non- Forested Land under improved NRM (including buffer zones)	a. Ha.	1992		N/A												
	b. % of Hectares of non- forested land under improved NRM	b. Ha.	1992														
	NOTE: Additional increases in ha. will occur in 1994 after implementation of PROMESA project begins																
	2) Water quality	2) Turbidity	1991														
Note: 1991 baseline measure is from 1 target area in rainy season																	
3) Seasonal water flow	3) Volume per second	1993		N/A		N/A											
4) Forest cover (note: includes latifoliate and coniferous vegetation and mangroves) Measure will be taken in March/April.	4) Hectare	1993		N/A		N/A											

USAID/EI Salvador PROGRAM OUTPUT 5.2	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
					1992		1993		1994		1995		1996		1997	
			YEAR	VALUE	Planned	Actual										
Increased Public Awareness of Environmental Problems in Target Areas and Nationwide.	1) % of survey respondents indicating understanding and awareness of environmental issues: target areas	1) Respondents - by sex Note: and by any other variable important to PROMESA (age, socio-ec. status, etc.)	1993		N/A		N/A									
	2) % of survey respondents indicating understanding and awareness of environmental issues: nationwide	2) Respondents - by sex same note as above	1993		N/A		N/A									

USAID/EI Salvador PROGRAM OUTPUT 5.3	INDICATOR	UNIT OF MEASUREMENT	BASELINE INFORMATION		TARGETS											
					1992		1993		1994		1995		1996		1997	
			YEAR	VALUE	Planned	Actual										
Improved Productive Activities which are Consistent with Better Natural Resource Management Note: PROMESA begins implementation in 1993, in 1994 should see additional increase in value of indicator	1) Number of producers undertaking improved natural resource management activities in project areas	1) Producers - by sex	1992		N/A											

"MANAGER'S QUESTIONS"
STRATEGIC OBJECTIVE FIVE
IMPROVED NATURAL RESOURCE MANAGEMENT

1. What are the most significant environmental problems in El Salvador and will PROMESA be addressing these problems?
2. How will impact be shown with this strategic objective?
3. Will this program result in: (1) a decrease in soil erosion? (2) an increase in water quality? (3) an increased productive capacity?
4. Is the environmental program in El Salvador being conducted in conjunction with other Central American countries that border El Salvador? Are other countries' environmental problems impacting on El Salvador, and if so, are we doing anything about that with our program?
5. How can we encourage GOES to allocate resources to the environment? How will the USAID monitor GOES participation?
6. Will the NGOs and their work with the public be able to influence the government to create policies and regulations favorable to the environment? How do we strengthen local NGOs to support environmental awareness and to work with the government on env./nrm issues?
7. Will the NGOs involved with PROMESA be capable of changing the public attitude about the environment and get people involved in better practices? How will we measure this?
8. Will the government institutions assisted be able to implement the new policies and legal framework?
9. How can we promote the development of a national strategy which both public and private sector buy-off on, and which reflects regional as well as capital city environmental concerns?
10. Whose natural resource management activities are we trying to improve? Presumably policy makers at the GOES level and farmers and private firm owners at the field level. Anyone else?
11. What will the people of El Salvador get in return for adopting new environmentally sound agricultural practices? What will be the benefit to them?

ANNEXES

CONSIDERATIONS FOR MEASURING THE IMPACT OF DEVELOPMENT ASSISTANCE ON THE POOR WITH PARTICULAR ATTENTION TO SECTOR-LEVEL POLICY REFORM PROGRAMS

I. BACKGROUND

- Since the inception of A.I.D., its approach to poverty reduction has evolved over time
- For two decades of the agency's development assistance was focused largely on capital projects and other forms of project-based aid
- The 1980s ushered in a new era of development assistance in the aegis of non-project-based structural adjustment loan programs tied not to the use of physical and human inputs but to the enactment of policy reforms and performance criteria
- The term "structural adjustment" covers "stabilization" programs introduced to restore internal and external macroeconomic stability and "structural" reforms which aim at increased competition including, *inter alia*, market liberalization, changes in relative prices, and changes in public/private mix of production and service delivery
- Many in the development community agree that one of the primary objectives of development assistance is to make an appreciable dent in the incidence of poverty in the developing world and, by extension, improve the standard of living of the populations of these countries
- This notion is reinforced by A.I.D.'s statement of its mission as "...[assistance to] nations throughout the world to improve the quality of human life and to expand the range of individual opportunities by reducing poverty, ignorance and malnutrition."
- Various strategies to achieve this goal have evolved during the past thirty years
 - first, there was the "trickle down" strategy
 - a capital-intensive project-oriented approach followed which focused on economic growth as essential to poverty alleviation
 - this, in turn, evolved into the satisfaction of basic human needs and a poverty focus as an integral part of project design
 - the serious external and internal macroeconomic imbalances of the 1980s spawned increased attention to the need for stabilization and adjustments

- today, the Agency seeks to promote more equitable income distribution, or income redistribution with growth, and poverty consequences of projects are amongst the factors that are more or less routinely taken into account in project design
- Although the same should be the case for non-project assistance and sector programs, the question is, however, if so, exactly how?
- Although some of the structural adjustment programs of the early 1980s impacted somewhat negatively on disadvantaged groups, subsequent programs were growth oriented and rather clearly targeted at reducing poverty
- However, the intent of the Agency at this point in time is to attempt to directly incorporate the poverty dimension into the design of sector-level policy reforms and sector programs
- Given such a mandate, those charged with designing development assistance efforts will have to acquire new techniques of poverty analysis in the context of sector-level policy reform and sector programs
- The development literature suggests that a successful policy framework for poverty reduction can be operationalized by emphasizing policies designed to create a level playing field throughout the economy
- A framework of broad-based growth, which makes use of the abundant labor of developing countries, causes poverty to decline more rapidly than growth based on distorted product and factor markets
- However, it should be noted from the outset that not all of the impact of sector-level policy reforms on the poor will be positive; on the contrary, there are certain costs associated with sector-level policy reform and some of these costs must invariably be born by disadvantaged groups, at least in the short-term
- It is within this context that the Latin America Bureau and those in the Congress see the need to quantify these costs and weigh them against the benefits of structural adjustment
- Not only is the Bureau, the Congress and others interested in people level impact of A.I.D.'s structural adjustment interventions, they believe there is a need to quantify the impact of **all** of the Agency's interventions vis-à-vis the poor in order to fully measure the Bureau's goal of sustainable and equitable economic growth
- While standardized measures of economic growth abound and only time will be the judge of whether the Agency's programs contribute toward sustaining such growth, the equity side of the equation is much more difficult to grasp

- *As a result, a prerequisite to measuring both the poverty costs of adjustment and the attainment of the Bureau's goal is the quantification of the extent and pattern of poverty in a particular country*

II. CONSIDERATIONS IN THE DEFINITION OF POVERTY

- There is a development literature replete with vocabulary and concepts of poverty definition and measurement
- However, a recent A.I.D.-funded review of the literature revealed there are no universally-accepted ways to define and measure poverty
- Since poverty is a multidimensional concept, there are many ways to measure it, and virtually every measure has some limitations
- One conventionally analyzes poverty on the basis of measures of the income or expenditure level that can sustain a bare minimum standard of living — people whose consumption level falls below that level are considered poor
- It should be made clear, however, that poverty should not be measured solely on the basis of income and/or consumption; health, life expectancy, access to potable water, etc. are also key components in attempts to measure the extent of poverty in a particular country
- As such, many in the development community have suggested that consumption-based measures be complemented with other measures collected on a regularized basis such as nutrition, infant mortality, school enrollment rates, etc.

III. ONE APPROACH TO MEASURING THE IMPACT OF DEVELOPMENT ASSISTANCE ON POVERTY

- Before we begin to attempt to quantify the poverty costs of structural reform, poverty itself must be quantified and in order to do so, indicators must be developed to measure change in the incidence of poverty and these indicators must have a point of reference to determine the magnitude of change, if any, over time
- standard of living yardsticks, poverty lines, and poverty profiles are the basis of poverty measurement of the impact of donor interventions on the poor
- **standard of living yardstick** --> there are two equally important aspects of living standards: income and social
- in practice, consumption data are a good proxy for the living standard derived from income, and consumption data tend to be more reliable indicators of current living standards than income data, particularly when incomes vary over time in ways that households can predict and hence deal with through consumption-smoothing behavior

- **poverty line** ---> people are counted as poor when their measured standard of living (based on consumption, for example) is below a minimum level — known as the poverty line
- poverty lines can be set in relative or absolute terms
- relative poverty refers to the position of an individual or household compared with the average income in the country set, for example, at one-half of the mean income or at the 4th decile of income distribution
- absolute poverty refers to the position of an individual or household in relation to a poverty line whose real value is fixed over time such as the cost of a minimum consumption basket based on food necessary for recommended calorie intake
- **poverty index** ---> aggregates information about the poor in three possible forms: a headcount measure of the proportion of persons below the poverty line; an income (or poverty) gap measure, i.e., the percent deviation of the average poor household's income from the poverty line which captures severity of poverty and changes in the conditions of the poor, and/or a theoretically preferred measure that gives greatest weight to those further from the poverty line
- having chosen a measure of per capita standard of living and a critical level of this standard below which poverty begins, one faces the problem of summarizing this data into a manageable form, i.e., the employment of an appropriate "poverty index" whose calculation can be viewed in Appendix A
- this technique further allows for the derivation of a profile of poverty that can be disaggregated by sector, by region or by socioeconomic group which are affected by a particular set of policy reforms
- say, for example, that a Mission wishes to pursue a structural reform program prioritizing export-led growth while at the same time minimizing the adjustment costs on the poor
- by disaggregating the poverty of a country by employment group and discovering that the concentration of poverty among those producing cash crops for export is larger than for those producing "maquila" manufactures for the export market, in this instance, increased incentives to produce export crops are clearly in order if the object of the policy reform package is export promotion and the alleviation of poverty through sustainable export-led growth in the medium-term

Hypothetical Decomposition of Poverty Measures by Employment Group						
Employment Group	"Headcount Value"	%	"Poverty Gap Value"	%	"Weighted Poverty Value"	%
Export Croppers	0.495	59.0	0.184	64.1	0.090	65.9
"Maquila"	0.365	22.3	0.114	20.4	0.050	18.8
Private Sector	0.061	1.9	0.009	0.8	0.003	0.6
Public Sector	0.031	1.3	0.002	0.2	0.0002	0.1
Informal Sector	0.193	15.5	0.062	14.5	0.030	14.6
All	0.300	100.0	0.103	100.0	0.049	100.0

- the same can be done, for example, with commodity pricing policy reforms or the adoption of a policy of public disengagement from the housing market in which the effect of policy reform on poverty can be analyzed in the context of competing needs prior to policy reform implementation and tracked during the reform's implementation
- the technique demonstrated above can provide A.I.D. Missions with the ability to construct policy relevant poverty profiles as a tool to describe the impact of structural adjustment on the poor over time
- another application of the poverty profiles developed with the aforementioned methodology is in the *planning* of sector-level policy reform programs which will minimize the poverty costs of such reforms

IV. SUMMARY

- The technique briefly discussed above and detailed in Appendix A is one which will allow the Mission to build upon an existing framework of survey research currently being conducted by the government
- By introducing more rigor into the government's ongoing household survey, this technique will allow for the establishment of a reliable point of reference to determine the extent and pattern of poverty in this country as well as provide a cost effective means of collecting more precise indicators to measure change in the incidence of poverty, if any, over time
- In addition, the body of data collected in this fashion will, over time, provide the Mission with an improved data base from which to derive Gini coefficients, that traditional measure which shows how close a given distribution of income is to absolute equality or inequality

- In this fashion, the weak link in the measurement of Latin America Bureau's overall goal of sustainable and equitable economic growth, i.e., the equity issue discussed above, can be reliably measured together with the tested measures for economic growth

APPENDIX A

- the most common index is the "poverty ratio" or proportion of the population below the poverty line or y_i = expenditure of the i th individual and expressed as follows:

$$y_1 \leq y_2 \leq \dots \leq y_q \leq z < y_{q+1} \leq \dots \leq y_n$$

(1)

where z is the poverty line, n the total number of individuals in the population and q the number of poor individuals then:

$$P_0 = \frac{q}{n}$$

is the so-called poverty ratio or
"head count" ratio

(2)

- however, the P_0 measure is flawed due to the fact that it focuses purely on the number of poor and ignores how poor the poor actually are
- one measure which focuses on the latter is the so-called "income gap" ratio defined as:

$$I = \frac{z - \frac{1}{q} \sum_{i=1}^q y_i}{z}$$

(3)

which is the proportional shortfall of the average poor persons income below the poverty line

- however, (3) alone ignores numbers in poverty which can be corrected by combining (2) and (3) to yield:

$$P_1 = P_{0J} = \frac{1}{n} \sum_{i=1}^q \frac{z-y_i}{z}$$

(4)

which measures the numbers of the poor and the average depth of poverty

- further refinement of (4) will allow for one to focus on the very poor — for example, if a currency unit is taken from the very poor and given to those on the poverty level just above them, (4) would register no change whereas one could argue that actual poverty has actually increased, thus:

$$P_\alpha = \frac{1}{n} \sum_{i=1}^q \left(\frac{z-y_i}{z} \right)^\alpha$$

(5)

where:

$\alpha = 0$ is a headcount measure of the proportion of persons below the poverty line;
 $\alpha = 1$ is the income (or poverty) gap measure, i.e., the percent deviation of the average poor household's income from the poverty line which captures severity of poverty and changes in the conditions of the poor, and
 $\alpha = 2$ is the theoretically preferred measure that gives greatest weight to those further from the poverty line.

- ignoring the calculus, suffice it to say that by employing the measurement technique embodied in (5), one is able to capture the basic notions of poverty in a clear and operationally manageable way
- (5) further allows for the derivation of a profile of poverty that can be disaggregated by sector, by region or by socioeconomic group which are affected by a particular set of policy reforms

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For further information see:

Kanbur, S.M.R., "Measurement and Alleviation of Poverty: With an Application of the Impact of Macroeconomic Adjustment," International Monetary Fund Staff Papers, September, 1987

Kanbur, S.M.R., "Poverty and Social Dimensions of Adjustment in Côte d'Ivoire," Mimeographed, SDA Unit, Africa Region, The World Bank, November, 1988

13

PRESENTATION ON GENDER

PRISM Phase II, Monitoring & Evaluation Workshop

Patricia A. Martin, LAC Bureau WID Advisor
El Salvador, September 22, 1992

Handouts: Women in Development - Concepts, Terms and Definitions
What WID Is/Is Not
Gender Disaggregation of Data Collection and Analysis
Gender Disaggregating Program Performance Indicators
Improving the Measurement of Work

Time: 20-30 minutes

- I. Gender is a major factor in determining impact on the poor.
- Women are a disproportionate share of the poor and women-headed households tend to be the poorest.
 - In El Salvador, overall 27% of households are headed by women, 40% in urban areas. Some studies have found levels of 65% or higher. Of women in unions, only 1/3 are legally married. Common-law unions are often unstable; women and their children in such unions often rely primarily on the woman's income.

In determining impact, poor women and men are often affected differently.

- Structural adjustment programs may have differential effects:
 - Negative - When public services, e.g. health, day care, etc. are cut back, women are affected more. Government usually employs proportionately more women than the private sector and government employment is often less discriminatory against women, so when government employment is cut back, women who lose jobs may not be able to find comparable (or any) private-sector employment.
 - Positive - On the other hand, creation of new, non-traditional and non-gender-stereotyped productive activities can open new opportunities for women.

- II. Gender vs. WID: When we talk about gender, we're not talking only about women. We are talking about addressing differences in participation and benefit by women and men due to socio-culturally and economically determined gender roles and constraints.

- Agricultural assistance programs often overlook women. In El Salvador an estimated 60% of agricultural labor on small farms is provided by women, but is not usually counted or remunerated, nor do women usually receive any technical assistance or credit. Resources and information provided to males are not necessarily shared by females, thus incentives for increased productivity by women are lacking. Encouraging women to diversify and develop crops for which they receive income and assistance could increase productivity, income and family welfare, since research has demonstrated that increased women's income is more likely than men's to have a direct impact on children's nutrition, health and education.
- Conversely, family planning and health programs may fail to take into account men's roles in family planning and health decisions, and assign the entire responsibility to women even though they may not have full decision power.

WID came about because, as a group, women have been overlooked and marginalized in economic development programs, and have even been the victims of unintended negative effects because of lack of knowledge of their roles, interests and activities, especially in production.

- WID does not leave men out, but brings women in. The goal is to increase the size of the pie by bringing in all a society's productive human resources and improving their ability to participate in and receive their full share of benefit from economic, social and political development.
- Bringing women in not only raises family income directly, but decreases fertility, leading to smaller families and healthier, better fed and educated children.

III. What does all this mean in terms of program impact?

Attention to gender promotes sustainable economic growth and stable democratic societies by focusing on how to bring more people in to become productive citizens and stakeholders in economic and social progress. Equity, properly understood, promotes growth with sustainability.

- Gender is thus not an add-on or marginal concern, but fundamental to development impact, given that women make up more than half the population but as a group still are not fully integrated into economic and political life, thus constituting society's principal human resource reserve.
- Gender is also an excellent proxy for people-level impact attributable to development interventions. Since women are often the most disadvantaged and least reached,

successfully incorporating and benefitting them is a clear measure of effectiveness and impact.

Attention to gender does not mean adding an extra data collection burden; rather it means focusing on the data really needed to illuminate impact--not more but better information, by identifying who really needs to participate and benefit in order to ensure impact, and how this can best be achieved by taking into account gender-related roles and constraints.

- An example of innovative, gender-sensitive data collection as a basis for development programming is provided by the rural household survey recently conducted with AID support in Cochabamba, Bolivia. By identifying both primary and secondary productive activities by gender, a whole range of activities by both men and women was revealed which had previously not been taken into account.

Development interventions which take gender into account increase effective access to opportunities to a much greater degree than the supposedly "gender neutral" approach which only assumes equal access.

- Non-traditional exports can provide new opportunities if areas of production are opened up which are not gender-stereotyped and efforts are made to assure access by women as well as men.
- The "subsistence trap" can be broken by linking informal microenterprise, to which women are often relegated, to formal sector activities, thus encouraging growth and perhaps eventual formalization.

Gender is key in assessing income and growth potential because of the pervasive imbalance in male and female income and economic opportunity, and because of the high proportion of women and children dependent on female income.

- The purpose of development is not to perpetuate subsistence-level activities but to promote broad-based growth.
- A key means of promoting equitable growth is through education and training. While gender parity in basic education has been steadily increasing, the situation for vocational training is much less balanced--not so much in terms of numbers trained but in economic payoff. Women are concentrated in a few vocational areas, low-paying to begin with and offering limited if any opportunity because of saturation. The missions NRP indicator linking training and employment, by gender, is an important means to identify such problems and develop solutions leading to increased program impact.