DOMINICAN REPUBLIC
PVO CO-FINANCING PROJECT
517-0247

MID TERM EVALUATION
REPORT

SEPTEMBER 15, 1995

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EXECUTIVE SUMMARY

Background

The PVO CO-Financing Project in the Dominican Republic provides financial resources, technical assistance and training to a broad range of Dominican NGOs and US PVOs. The project goal is "to improve the well being of lower income groups" while the project purpose is "to increase the capacity of PVOs and NGOs to deliver selected services and other resources to the poor in USAID strategic objective areas." Key end-of project status (EOPS) indicators are: a) 400,000 rural and urban poor benefitting from PVO projects in the general areas of natural resources management, hillside agriculture, water and sanitation, health, community development, democratic initiatives and employment generation; b) 35 PVO/NGO subprojects financed; c) 20 local PVOs strengthened; and d) USAID links with the Dominican NGO community and low income groups increased.

This Co-Financing project budget has a grant amount of $22,200,000 (US$15,700,000 from USAID; US$4,000,000 from GODR; US$2,500,000 from NGOs). The project's duration is September 22, 1989 to August 30, 1999. The primary project grant agreement was signed between the USAID Mission and the Technical Secretariat of the Presidency (STP) representing the Government of the Dominican Republic. A personal services contractor heads a Mission project management unit, a Dominican firm ENTRENA serves as the PVO support unit, and the Banco de Desarrollo Dominicano (BDD) serves as the fiduciary agent.

This midterm evaluation reviews findings on progress made to date, draws conclusions regarding problem areas, and recommends corrective actions. Mission concerns, as expressed in the evaluation scope of work, are: 1) the original design and assumptions, 2) selection criteria and procedures, 3) contractor performance and provision of services to PVOs/NGOs, and 4) initial results. There is particular interest in institutional strengthening of NGOs, the extent to which democratic initiatives are carried out, and in the extent to which environmental guidelines are followed by the NGOs.

This formative evaluation of the Co-Financing project was conducted over a four week period during April and May of 1995.

Findings

The project is roughly 50% complete, and in resource allocation terms is on track. Eighteen subproject grants have been awarded up to the start of this evaluation totalling US$ 8.96 million ($498,000 average grant). Subprojects are diverse in job training, health, potable water and sanitation, and income and employment generating opportunities to reduce poverty.

Many of the original project assumptions in the very general original logical framework are still accurate. Some are not. NGOS did not have the management capabilities assumed, do not have sufficient resources to provide counterpart contributions, and the larger and more established NGOs are not willing to assist smaller ones with project preparation and

administration. Incorrect assumptions have had a minor effect on the project, and not necessitated design modifications.

The project supports the majority of the USAID/DR strategic objectives, and all subprojects reach the very poor in the Dominican Republic. The project serves the Mission well in reaching out to low income groups and the NGO community. Five of 18 subprojects are geared exclusively towards women.

Since progress indicators at the output, purpose and goal levels are few and imprecise, it was impossible to do a precise job of comparing planned to actual accomplishments. At the purpose level, about 200,000 beneficiaries are reached in some fashion compared with the planned 400,000; 18 of the 35 planned NGOs have been awarded subgrants; and 20 of the 30 planned NGOs have received help in project preparation, financial, and administrative issues. At the output level, a system for subgrant development design, technical analysis and financial management to PVOs is in place, and some training and technical assistance has taken place.

Both the USAID/DR Project Management Unit and ENTRENA have performed well in setting up rigorous and fair (albeit time consuming) criteria, surveys and procedures for selecting and awarding subproject grants.

The whole process has had a salutary effect on participating NGO's capability to design subprojects and prepare grant applications. National NGOs do not appreciate what they perceive as harsh new USAID/DR guidelines which include not financing vehicle acquisitions, and the requirement that NGOs find 50% counterpart financing elsewhere. Despite early delays the pace of grant awards is on schedule.

At the half-way point in the PVO Co-Financing project, progress towards achieving sustainable organizations and service delivery systems is spotty. Even so, the vast majority of NGOs a) receive resources from other donors, b) are actively pursuing new prospects, and c) will outlive the project in some form or another. More worrisome than sustainability of the NGOs proper is the sustainability of service delivery systems supported by NGOs. There is significant potential for the majority of the service delivery systems weakening after the project PACD and in some instances disappearing. More concentrated and concrete attention to the financial and technical sustainability of the systems is indicated.

Most communities had some of experience in democracy before the project. For many actors the novelty of the project resides more in its methods for organizing community participation than in the principles and practices of representation. Most actors had already participated in elections, local and national, and were familiar with the basic notions of political delegation. Not all NGOs conceptualize democratic initiatives in a similar manner. In fact, there is a great diversity of definitions and conceptions at work within the project. NGOs do not place equal emphasis on promoting democratic values and practices, although much of the training they offer focuses on democratization of community organizations.

The Co-Financing project is effectively satisfying USAID/DR environmental requirements (CFR 216). However there are few subproject activities which have a strong environmental focus. Therefore, this project is of little help to the Mission in meeting its environmental Strategic Objective. The project's environmental guidelines are being used at the subproject design stage and have generated site-specific environmental profiles and reviews.

All three institutional units (Project Management Unit, ENTRENA, Banco de Desarrollo Dominicano) function well within the context of their specific and limited contracts. Coordination among all three is good. All three project implementing units have placed considerable emphasis on monitoring project preparation, procedures and administration.

Conclusions

The project's principle strategy is one of strengthening NGOs by doing service delivery with subproject grants using project-funded professionals and technicians as well as additional equipment. NGOs in turn deliver services to community organizations which increase democratic initiatives and internal institutional sustainability. This approach is partially flawed because many NGOs use inefficient and ineffective service delivery systems. Some community participants feel that the communities themselves must be strengthened so they can carry out community-based project activities once the Co-Financing Project terminates.

Recommendations

1. A strategic plan should be developed for the remainder of the life of the project. This plan should formulate specific project goal, purpose, and result indicators. It should have the same level of specificity in strategies for technical assistance and training that now exists for internal strengthening and apply them to increasing institutional sustainability and increasing effective and efficient delivery of services by subproject grantees to beneficiaries.

2. Most of the USAID-Dominican Republic portfolio makes use of NGO-based service delivery mechanisms. Therefore, the PVO Co-financing project should be considered a laboratory for developing NGO-based sustainability approaches on behalf of the whole Mission. It is important to recognize that the sustainability of NGOs and delivery systems are separable, and that emphasis should be placed on sustainability of service delivery systems as a way to strengthen the Dominican NGO movement as a whole. Sustainable service delivery systems are made up of two components: financial sustainability, and community participation in decision making.

3. Within this strategic context, the proposed shift takes on a more specific institutional sustainability focus. With this focus assistance might be provided to the 45 NGOs covered in the present PVO Co-Financing Project, and perhaps another 20 NGOs in

other USAID/DR financed projects. Many institutional sustainability activities are presented in the text of this report.

4. The project should take a stronger and better focused approach to supporting democratic initiatives at the community level. A sustained effort should be made within the parameters of the 35 subproject grants and the communities with whom the NGOs work to increase community participation in development projects so that ultimately the communities themselves are sustainable. Some targets that this focus would include are a) increased community planning; b) increased community capability to make technological, economic, and social assessments at the community level; c) increased levels of empowerment for obtaining government-funded infrastructure and service delivery; and, d) increased community-level agricultural and non-agricultural production, employment generation, and increased income through concerted microenterprise efforts in rural areas.

5. More of an environmental focus and more effective linkages between this focus and other project components is needed to add coherence to participating NGOs and subprojects.

6. Once the above general strategies are in place and the new focus accepted, the institutional contractors need to design and write a new logical framework for the next four years. It should start with the purpose and its indicators, goal and indicators, and then proceed to define outputs and their respective indicators. Project activities must be designed to produce new and revitalized outputs. The project requires refinement and adaptation to maintain internal consistency. Once this four year strategic plan is devised, ENTRENA and the Project Management Unit should write annual operational plans based on the strategic plan. Finally, a new project amendment should be written that reflects budgetary and implementation changes.

BASIC PROJECT IDENTIFICATION DATA

1. Country: Dominican Republic

2. Project Title: PVO Co-Financing Project

3. Project Number: 517-0247

4. Project Dates: 1989-1996

   a. First Project Agreement: 9/22/1989
   b. Final Obligation Date: 8/30/99
   c. Most recent Project Completion Date (PACD) 8/30/99

5. Project Funding:

a.	AID bilateral Funding	US $ 15,800,000
b.	Other Major Donors	US $ 2,500,000
c.	Host Country Counterpart	US $ 4,000,000
	Total	US $ 22,300,000

6. Mode of Implementation: Direct Mission oversight of institutional contractors and subproject grants to NGOs/PVOs

7. Project Designers: Ray Rifenberg, Thomas Stuckel, Tom Cornell

8. Responsible Mission Officials: (full life of project)

Mission Directors:

Thomas Stuckel
Ray Rifenberg
Marilyn Zak

Project Officers:

Paul Struharick
Jack Thomas
Richard Mangrich
Cristine Adamczyk

9. Previous Evaluations: None

A. INTRODUCTION AND BACKGROUND

This midterm evaluation of the PVO Co-Financing Project in the Dominican Republic is being carried out within a context of a nation making developmental changes as well as a donor agency (USAID/Dominican Republic) undergoing reengineering and making strategic changes. This initial evaluation is therefore important in that it suggests adjustments in a project that could play a more important role in the USAID Mission's portfolio in the future.

1. PVO Co-Financing Project

The PVO Co-Financing Project provides financial resources, technical assistance and training to Dominican NGOs and US PVOs (this report will use NGO for Dominican organizations and PVO for US and other international non-profit organizations). In turn, these organizations implement activities in various areas that directly contribute to the attainment of the USAID Dominican Republic strategic objectives and support the overall USAID policy objectives of strengthening NGOs/PVOs, increasing beneficiary participation in decision-making and implementation, empowering grassroots organizations, and funding sustainable performance-based development projects.

This project has a budget of $22,200,000 (US$15,800,000 grant from USAID, US$4,000,000 from GODR PL480 funds and US$2,500,000 from NGOs). The project's duration is from September 22, 1989 to August 30, 1999. The primary project grant agreement was signed between the USAID Mission and the Technical Secretary of the Presidency (STP) representing the Government of the Dominican Republic. A personal services contractor heads a Mission project management unit, a Dominican firm (ENTRENA) serves as the support unit, and the Banco de Desarrollo Dominicano (BDD) serves as fiduciary agent.

The original project was approved for a life of project funding level of US$9.5 million in development assistance grant funds and an August 30, 1996 PACD. This was amended in May 1994 to extend the PACD to August 30, 1999 and increase life of project funding by US$ 6.3 million. Original goals, purposes, outputs, and inputs remained basically the same with minor shifts in strategic objectives that are described below.

Eighteen subproject grants were awarded at the start of this evaluation totalling US$ 8.96 million ($498,000 average grant). Subprojects are diverse, involving in job training, health, potable water and sanitation, and provide income and employment generating opportunities to reduce poverty.

The project goal is "to improve the well being of lower income groups." The project purpose is "to increase the capacity of PVOs and NGOs to deliver selected services and other resources to the poor in USAID strategic objective areas." The key end-of project status (EOPS) outputs are:

- 400,000 rural and urban poor benefitting from PVO projects in the general areas of natural resources management, hillside agriculture, water and sanitation, health, community development, democratic initiatives and employment generation;

- 35 PVO/NGO subprojects financed;

- About 20 local PVOs strengthened; and,

- USAID links with the Dominican NGO community and low income groups increased.

The eligible institutions for subproject grants are all incorporated Dominican NGOs and US PVOs registered with USAID/W (if in partnership with a Dominican NGO).

2. Objective and Method of Evaluation

The purpose of this midterm evaluation is to review progress made to date and to recommend corrective actions. Specifically, the Mission is concerned with reviewing the original design, assumptions, criteria, selection procedures, contractor performance and provision of services to PVOs/NGOs, as well as initial results. The Mission is particularly interested in finding out about institutional strengthening of NGOs, democratic initiatives results within subprojects, and environmental guidelines followed by NGOs. Conclusions and recommendations can assist the Mission in making adjustments.

All subprojects are required to have their own individual evaluations. Six have been conducted to date. Therefore, only specific cross-cutting aspects of the subprojects are included in this general project evaluation.

This mid-term was conducted over a four week period during April and May 1995. The evaluation team consisted of Donald Swanson, Roger Popper, Angel Chiri, and Frank Moya Pons.

The evaluation methodology involved:

- Archival research and review of grant files;
- Interviews with key informants from NGOs, other donors, ENTRENA staff, USAID/DR, the Government of Dominican Republic, and Banco de Desarrollo; Dominicano, and some beneficiaries; and,
- Field visits and observation of projects.

The scope of work provided by the Mission was reviewed, revised and adapted into an outline and also an index of issues to be discussed with key informants in interviews. This document is presented in Annex A. There are six sections of findings broken down into project deliverables, procedures and criteria for subproject grant awards, institutional strengthening, democratic initiatives, environmental issues, and project administration. These descriptive findings are followed by a chapter on conclusions and another chapter on recommendations.

SUBPROJECT GRANTS AWARDED

These are the 18 subproject grants awarded to date that will be referred to in this study. They are listed in the order in which they were awarded.

1	**Pan American Development Foundation/Asociacion para el Desarrollo San Jose de Ocoa (ADESJO) FIRENA II** **Purpose**: Improved resource management and incomes of small farmers through irrigation and commercial forestry. **Started**: May 1992; duration four years **Funding**: $2,501,713 (AID $999,231) **EOPS**: Agroforestry systems with irrigation installed; commercial reforestation systems installed; investments programs installed; communities organized; market price program functioning; ADESJO strengthened
2	**Fundacion Dominicana de Desarrollo (FDD)** **Purpose**: Income and employment generation through improved business skills. **Started**: March 1993; duration four years **Funding**: $1,514,156 (AID $816,206) **EOPS**: 5,720 microproducers trained; one training center equipped and functioning; 5 institutions strengthened in training
3	**Fundacion para el Desarrollo Comunitario (FUDECO)** **Purpose**: Improve basic human needs of rural poor through water, sanitation, nutrition and soil conservation. **Started**: June 1993; duration three years **Funding**: $1,118,362 (AID $705,829) **EOPS**: 9 village water systems functioning; nutrition attitude and behavior changes; domestic food production increased; reforested hillsides; agricultural fields rehabilitated; latrines and lorena stoves installed
4	**Instituto Dominicano de Desarrollo Integral (IDDI)** **Purpose**: Community self-development with urban poor of Santo Domingo, using potable water and sanitation as a catalyst. **Started**: August 1993; duration three years **Funding**: $1,219,880 (AID $729,487) **EOPS**: Four barrio organizations strengthened; 20 nuclear brigades in community action; 350 volunteer community and health promoters trained and working; water and sanitation infrastructure for sewage and water built
5	**Educadores Unidos del Cibao (EDUDELC)** **Purpose**: Improve technical vocational skills for poor women in Santiago. **Started**: September 1993; duration three years **Funded**: $121,986 (AID $62,199) **EOPS**: 520 women trained to start microenterprises; a community-based technical-vocational center functioning; 30 courses implemented to support women

6	**Liga Dominicana Contra el Cancer (LDCC)** **Purpose**: Gynecological cancer prevention for urban poor in Santo Domingo. **Started**: November 1993; duration three years **Funded**: $531,333 (AID $340,919) **EOPS**: Cancer prevention program implemented in 10 marginal barrios
7	**Centro de Educacion para la Salud (CES)** **Purpose**: Preventive health training for rural poor in remote areas outside Santiago and frontier regions. **Started**: November 1993; duration three years **Funded**: $301,757 (AID $161,372) **EOPS**: 150 health promoters and 14 health supervisors trained to work with 4,500 families
8	**Fundacion para el Desarrollo de la Juventud Rural (FUNDEJUR)** **Purpose**: Employment generation for rural youth in southwest regions near Barahona. **Started**: November 1993; duration three years **Funded**: $1,756,986 (AID $577,360) **EOPS**: 600 youth trained and implementing pig, chicken, and bee microenterprises; a community-based balanced food store functioning and serving over 2,000 small scale farmers
9	**Consejo Nacional de Supervivencia Materna Infantil (CONASUMI)** **Purpose**: Establish a system of community-based health services for women of fertile age and children under 5 years of age. This is Phase III of the program implemented through a consortium of 14 NGOs with components in diarrhea control, breast feeding, child spacing and immunizations. **Started**: October 1993; duration two years **Funded**: $4,310,889 (AID $1,550,077) **EOPS**: A private health delivery system functioning in Regions 0, IV, and VI
10	**Asociacion para el Desarrollo (APEDI)** **Purpose**: Strengthen organizations in Estancia del Yaque using housing repair, women training center and improvements in a cooperative as catalysts. **Started**: April 1994; duration 2.5 years **Funded**: $212,132 (AID $115,840) **EOPS**: 6 organizations strengthened technically and administratively; a sewing workshop strengthened; community self-help capacity strengthened
11	**Centro para el Ecodesarrollo Samana (CEBSE) and Center for Marine Conservation (CMC)** **Purpose**: Develop community capacity to ensure conservation, wise management and sustainable use of natural resources of Samana Bay region. **Started**: April 1994; duration two years **Funded**: $565,953 (AID $236,408) **EOPS**: CEBSE increases its capacity to implement ecological education campaigns for Samana; beaches cleaned in Samana Bay

12	**Sociedad para el Desarrollo Integral del Nordeste (SODIN)** **Purpose**: Strengthen three inter-community development committees (IDC) representing residents of 43 communities using water/sanitation and other preventive health activities as a catalyst. **Started**: May 1994; duration three years **Funded**: $633,436 (AID $355,653) **EOPS**: 43 communities and 81 associations integrated and functioning within the three IDCs; 19 wells dug, 460 latrines dug, and 325 lorena stoves built
13	**Mujeres en Desarrollo (MUDE)** **Purpose**: Improve health status in six rural communities through active participation of women associations. **Started**: May 1994; duration two years **Funded**: $687,577 (AID $373,369) **EOPS**: 90% of women in four communities have potable water and latrine use; 80% of women in four communities increase positive health practices; two village water systems built and 600 latrines installed
14	**Asociacion para el Desarrollo Provincia Espaillet (ADEPE)** **Purpose**: Agroforestry promoted in the Jamao River watershed as a means of income generation, reforestation and soil conservation. **Started**: July 1994; duration three years **Funded**: $ 1,078,608 (AID $466,855) **EOPS**: 430 small agricultural producers grow non-traditional trees; bee production and honey sales increased
15	**HERMANDAD** **Purpose**: Improve health status and income generation for rural families in twelve communities through water/sanitation, hygiene education, hillside farming and reforestation. **Started**: September 1994; duration three years **Funded**: $438,329 (AID $251,899) **EOPS**: Self-help community structures established; potable water and sanitation program established; agricultural production with irrigation installed and functioning
16	**Asociacion Aguas Vivientes (AAVI)** **Purpose**: Population in Azua region are educated in principles of health prevention, water and sanitation, and environment **Started**: November 1994; duration three years **Funded**: $676,566 (AID $431,209) **EOPS**: 1,944 latrine units in use; 1,500 families use proper domestic hygiene practices; 10 village water systems improved; 17 wells repaired and disinfected; 12 community organizations strengthened

17	**CARITAS Dominicana** **Purpose**: Increased employment generation in Pimental, Duarte Province **Started**: February 1995; 1.5 years duration **Funded**: $312,705 (AID $198,414) **EOPS**: Sewing workshops established for 150 women to increase their production, quality, sales, and incomes
18	**Catholic Relief Services (CRS) and Fundacion para el Bienestar Salud** **Purpose**: Sustainable hillside agriculture and income generation in Elias Pina, Bahoruco, San Juan, and Independencia. **Started**: December 1994; duration three years **Funded**: $661,747 (AID $425,016) **EOPS**: Reduced erosion by 50% in project areas; 30% increase in farmer's income; community-based organization strengthened

B. PROJECT DELIVERABLES

This section provides findings related to project progress in providing subproject service deliverables to beneficiaries; the validity of project assumptions; and, the adequacy of current progress and impact indicators. The institutional strengthening section covers training and technical assistance activities for NGO/PVO strengthening and sustainability.

1. Logical Framework

The logical framework in the Project Paper was developed in 1989 and has as the project goal "to improve the well-being of geographically and economically isolated lower income groups in the Dominican Republic." It is a moderate level goal applicable to the resources and time of this project. The goal level indicators are 1) "improved earning capacity of selected groups of small farmers and poor urban dwellers", and 2) "improved health status of urban and rural poor". They are general and without objectively verifiable targets for quantity, quality, and time. "Well-being" is to be measured in terms of earning and health status. Broader measure such as democratic initiatives, community participation, and empowerment are not included.

The project purpose proposes a broad-based two-pronged approach to development assistance that encompasses 1) NGO capacity strengthened and 2) service delivery by NGOs to the poor. The project is to address the immediate, critical needs of the poor by financing selected NGO/PVO implemented interventions which are consistent with the USAID/DR overall Mission objectives. Neither the logical framework nor the Project Paper address the relationship between the two project purposes.

The purpose level indicators are general and are not stated in objectively verifiable terms. They are: 1) 400,000 rural and urban poor benefitting from PVO projects; 2) 20 local PVOs institutionally strengthened; and, 3) actual and perceived increase of USAID's links with the DR's low income groups and the PVO community. The last indicator appears unrelated to the purpose statement.

The three outputs to achieve the two project purposes are 1) institutional mechanisms to provide streamlined, effective management for USAID financed PVO projects; 2) subgrants to PVOs; and, 3) improved capacity of local PVOs to obtain other donor financing for their activities. The second output is in essence an activity to achieve a higher level output that would in turn contribute to achieving the purpose. The third output is an indicator of the extent to which PVOs/NGOs are strengthened and sustained.

The output indicators are 1) development of a system for subgrant design, technical analysis and financial management to PVOs; 2) 35 successful subgrants approved; 3) TA provided to PVOs; and, 4) training provided to PVOs. All four output indicators are general, not objectively verifiable, and are close to being activity level indicators rather than output indicators. Output indicator No. 1 is close to being a repeat of output No. 1. Output indicator No. 2 is an activity indicator and does not measure outputs. Output indicators No. 3 and 4 are general, very close to being activity indicators and do not measure outputs.

The inputs and input indicators described in the logical framework are brief and incomplete. The two input indicators are really activities. The means of verification described in the logical framework state in general terms how data will be collected to verify the indicators. These means of verification are outlined more extensively in the Project Paper.

2. Design Assessment

The overall PVO Co-Financing Project design follows two broad approaches: 1) PVO/NGO strengthening, delivery, and sustainability; and, 2) delivery of development assistance resources to the poor. The following chart depicts the characteristics of these two approaches:

TABLE B-1: PVO Co-financing Design Approaches

PVO/NGO Strengthening	Delivery Approach
1. Larger mature NGOs strengthened to carry out private delivery services	1. Delivery services financed that are within USAID Mission Strategic Objective
2. US PVOs associated with smaller immature national NGOs to carry out private delivery services	2. Increased private sector entities working in social sectors
3. Competitive NGOs providing alternative and viable delivery services	3. Selected interventions addressing critical needs of the poor especially in geographically and economically isolated places
4. Consortia and partnerships developed between smaller and larger NGOs	4. Numerous small scale delivery approaches at grassroots level
5. Pre award surveys and follow-up to NGOs	

These approaches, pulled together from different sections of the Project Paper, get articulated in operational terms through ENTRENA guidelines for preparing concept papers and grant agreement applications entitled "Information General sobre el Proyecto de Co-Financiamiento para las ONGs/PVOs" and "Manual para la preparation de la Solicitud de Donacion" published in 1992. These documents require NGOs to submit grant applications in six general development areas, taken from the Mission strategic objectives in 1992, as follows:

- Natural Resources
- Hillside Agriculture
- Health Services
- Democratic Initiatives
- Community Development
- Employment Generation

In these documents NGOs are requested to provide projects with technological, economic, socio-cultural, financial, and environmental assessments. NGOs are also asked to provide design/methodology and administrative capacity justifications. Finally, each NGO has to write a sustainability plan describing of a cohesive and sustained delivery service strategy.

In reviewing the 18 grant agreements approved and implemented to date, two-thirds of the NGO projects continue with service delivery for activities that began before the co-financing project. NGO leaders state that they were not requested nor obliged to make service delivery changes. The hypothesis was that the NGOs would be strengthened implicitly by continuing the same delivery service that they have been doing all along but at a higher level of funding with more emphasis on beneficiary's participation and sustainability. There are a few exceptions to this rule in which ENTRENA worked with the NGOs to come up with alternative strategies.

This approach has been characterized by key informants consistently as a "basket approach" or "first come first serve approach." It provides a broad approach which includes very different types and sizes of projects. According to several key informants, this is done to be able to include the many types of projects that the Mission might want to support over the period 1990-96.

Several NGO key informants interviewed were consulted in the project design stage. Most NGO leaders are keenly aware of the USAID/DR mission shift to supporting NGO and private sector delivery of basic services to the urban and rural poor in the country. For most NGO leaders interviewed who have had previous USAID funding, the Co-Finance Project is not special or different from other USAID grants, except that funding is seen as more difficult to obtain.

3. Project Assumptions

There are ten assumptions made in the Project Paper. Taken together the project assumptions only tangently relate to NGO sustainability and service delivery. The scope of work for the mid-term evaluation requested that six of those assumptions be reviewed. The design team was asked to assess the extent to which the assumptions have been valid and how they affect project design and implementation.

- NGOs capable of absorbing additional USAID funding. All NGO leaders interviewed reported having no problems absorbing additional funds. Most viewed this assumption as a given since they believe that development funds in the Dominican Republic are scarce and welcome additional funds for the NGO community.

- GODR continues to allow active PVO movement. There have been no GODR attempts to either help or hinder the NGO/PVO movement during the project period. The Secretariat Technical of the Presidency has approved all grants without question and has participated in public recognition of NGOs with USAID grant financing. The GODR has its own discretionary fund to subsidize certain NGOs.

- Sufficient NGOs have management capacity to take advantage of the PVO project mechanism. Both US PVOs and Dominican NGOs had much less project design, strategic planning, financial management, and management capacity then the project designers assumed. Pre-award surveys conducted by ENTRENA found many NGOs lacking in capacity in these areas. As a function of the USAID Project Management Unit and ENTRENA had to modify original project implementation plan and spend much more time and money then planned assisting NGOs in project preparation. This affected the project design in requiring more time and cost for project preparation and additional funds for NGO training in these areas.

- NGOs relate well to ENTRENA and BDD. Overall, relationships are quite positive. There are mixed reviews reported and on a case-by-case basis. Almost all NGO leaders stated that they had positive relationships with ENTRENA. A few NGOs reported minor difficulty with ENTRENA personnel and policies. In particular, ENTRENA's lack of confidence in NGO's monitoring systems and, in a few cases, their technical capability to provide both training and technical assistance were cited. With BDD, there was a general resistance to a bank making NGOs comply with voucher requirements. NGOs often have difficulty with BDD's inconsistent and changing reimbursement and reporting policies. No project design changes were made because of these difficulties.

- NGOs and beneficiaries have sufficient resources to provide counterpart contributions. NGOs rely almost exclusively on external finances for project implementation. Beneficiary counterpart contributions are not required officially but most likely are being made as in-kind contributions. Some negative effects occurred because NGOs were forced to do creative accounting to abide by USAID counterpart contribution requirements.

- Larger, more established NGOs willing to assist smaller ones in project preparation and administration. US PVOs are required to associate themselves with smaller national NGOs and this is taking place. Some larger national NGOs are helping smaller NGOs. Others are not. No project design changes or implementation changes have been made. ENTRENA and the project management unit have made efforts to form consortia and partnerships.

4. Project Activities and Results

Eighteen subproject grants have been awarded to date. 21 other subproject concept papers have been approved with 12 still active and nine other potential subgrants have been identified. Taken together it is possible to describe a general pattern for subproject award characteristics. Most subprojects deal in several sector activities but the principal sectors of grantee operation are presented below.

TABLE B-2: NGO Subproject Grant Awards

SECTOR	# NGO AWARDS	# GRANTS TO BE AWARDED
Enterprise/Income Generation	4	7
Health	3	1
Water/Sanitation	4	4
Agriculture	4	2
Environment	1	3
Integrated Community Development	2	0
Totals	18	17

Four subproject grants have been awarded to national NGO/US PVO consortia and another five are planned for the near future giving a possible nine total. One subproject grant was awarded to a second tier NGO organization (CONASUMI) that groups 14 national NGOs providing child survival delivery services. Four of those NGOs have individual subgrants and four others are US PVOs.

The largest subproject grant is for $1.68 million (CONASUMI) while the smallest is for $54,000 to EDUDELC. The average grant is $498,000. The proposed new subproject grants range from $50,000 to $1.0 million. One grant is for one year, 15 for three years, and two for four years.

The subprojects are generally well-distributed throughout the nine regions of the country. One exception is the lack of subprojects in the five eastern provinces of Hato Mayor, San Pedro de Macoris, La Romana, El Seibo, and La Altagracia. This will be remedied with several of the upcoming subproject grants. Two subprojects work at the national level (FDD and CONASUMI) and two exclusively in Santo Domingo (IDDI and LDCC).

All subprojects are targeted toward and address the critical needs of the poor. Some subprojects may have an impact on middle class beneficiaries but NGO leaders affirm that targets are the rural and urban poor.

Each subproject grant has specific activities (inputs) to accomplish specific results (outputs). NGOs, with ENTRENA assistance, have prepared logical frameworks for their projects that specify those specific activities and results. Full subproject reports provided by ENTRENA are provided in the annex. The following two charts summarize global activities and results of the 18 subproject grants organized by ENTRENA through April 1995. The six ENTRENA categories were used even though they differ slightly from conventional sector groupings.

TABLE B-3: Principal Service Delivery Activities
(May 1992 to April 1995)

Natural Resources Reforest hillsides Establish energy farms Establish energy hillsides Clean beaches Environmental education workshops Establish community-based tree nurseries
Agriculture Campesino training for increased production Demonstration plots established Community vegetable gardens
Health/Sanitation Build latrines Put in sewage systems Examine children at homes Provide exams and education of women at home Train facilitators and volunteer health promoters Train community monitors Distribute rehydration pills PAP tests Mamograph Exams Educational TV Campaigns Radio Communication Campaigns Educational videos produced Educational pamphlets produced
Democratic Initiatives Community leadership training Community planning workshops Leadership workshops
Community Development Revise statutes of community organizations Training of community leaders Maintained houses Pedestrian walkways built Lorena stoves built Community vegetable gardens built
Income and Employment Generation Persons trained Community factories functioning

TABLE B-4: Principal Service Delivery Results
(May 1992 to April 1995)

Natural Resources Clean beaches sustained Hillsides restored and erosion mitigated
Agriculture Irrigation systems established Hillside farm lands irrigated Hillside land conserved with permanent soil Agricultural market systems established Agriculture production increased
Health/Sanitation Rural community water system aqueducts functioning Latrines used properly and contributing to increased health standards Changes in health knowledge, attitude and practices
Democratic Initiatives Microenterprise associations strengthened Nuclear groups formed Community councils established Irrigation committees functioning Market committees functioning
Community Development Cooperatives strengthened Organizations strengthened Housing program established
Income and Employment Generation Technical vocational school for women functioning Chicken farms functioning Pig farms functioning Beehive farms functioning Food processing plants functioning Employment generated through professional and technical support

These charts are incomplete for three reasons. First, the subprojects reviewed and observed in the field collect information at the activity level but rely on midterm evaluations to ascertain results. Second, ENTRENA staff monitoring reports emphasize progress at the activity level but less so at the result level. Third, data on beneficiary impact presented in ENTRENA monitoring reports mixes information regarding direct benefits, indirect benefits to family members, and indirect benefits in the community.

5. Relationship to Mission Objectives

USAID/Dominican Republic Mission strategic objectives have evolved since the project design in 1989, project inception in 1990, the ENTRENA contract in 1991, the concept paper guidelines in 1991, the first subproject grant in May 1992, and the most recent subproject grant in February 1995. In all cases the Project Management Unit and the PVO Support Unit (ENTRENA) have had to adapt and revise their guidelines and foci to meet these changes. This appears to have been done smoothly. Two kinds of shifts in Mission Objectives are taking place at the same time.

■ Sector Shifts

The Mission's draft Action Plan for April 1995 makes changes in strategic focus. The latest strategic objectives are:

1. Increased access to economic opportunities and benefits for the majority of Dominicans
2. Increased use of effective primary health care services by underserved populations
3. Increased participation in democratization
4. Increased availability and use of environmentally-sound energy sources

These shifts are welcomed by NGO leaders interviewed. The Mission demonstrates well how the Co-Financing Project supports the Mission strategic objectives. The co-financing project is mentioned in documentation describing each of the mission's strategic objectives. In some cases, like environmentally-sound energy sources, the Co-Financing Project supports a good deal of the portfolio.

■ NGO Delivery Shifts

The Mission targets over 80% of delivery of services through national NGOs and US PVOs. The Co-Finance Project will ultimately have at least 35 subproject grants totaling over $22.0 million. There are other USAID/DR funded NGO grants in microenterprise development, forestry, education, democratic initiatives, economic policy reform, and health. One major Co-Financing subproject funded is the continuation of the Mission's principal child survival activity in the country that previously was coordinated with the Secretariat of Health but now works directly with a consortium of 14 NGOs. NGO leaders are obviously delighted with having national NGOs deliver services for the poor.

The Mission has been clear and direct in advertising its intention to continue providing development assistance in the Dominican Republic through national NGOs.

6. Progress and Impact Indicators

At the activity (input) level there is considerable description, elaboration, and monitoring of indicators. ENTRENA has developed a data base (FoxPro) system for monitoring those indicators for each subproject and collects field data at least six times a year. ENTRENA staff present reports describing progress towards indicators. NGO leaders report substantial compliance with activity indicators.

At the subproject result (outcome) level indicators are used in grant agreements, the logical frameworks developed for each subproject, and by ENTRENA for monitoring the subprojects. In many cases ENTRENA staff report some results that could be interpreted by others as activities. However, there are no progress or impact indicators for those results. For example, if "cooperatives established" is considered a result or impact indicator there is no documentation of results. NGO leaders interviewed showed little awareness that impact indicators should be collected.

7. Gender Considerations

Several subprojects (MUDE, Liga Contra el Cancer, EDUDELC, CONASUMI, Caritas Dominicana) are earmarked for women. The other NGO projects are not gender specific. Those projects follow fairly strict male-female differential roles (female health promotion for child care, male reforestation). Nobody interviewed had made special gender differentiation efforts in programming.

C. IDENTIFICATION, PROCESSING, AND SELECTION OF SUBPROJECTS

This section provides findings concerning the appropriateness of established procedures and criteria for selecting subprojects and awarding grants to NGOs/PVOs. Twelve specific questions regarding subproject selection criteria are asked in the scope of work.

1. Identification of Subprojects

There were a variety of ways that the NGOs grantees learned of and applied for the PVO Co-Financing Project. First, 30% to 40% of the NGOs selected had been contacted during Project Paper preparation. About half of the selected NGOs have had previous USAID/DR grants and knew about the project before it was approved. Several NGOs had been contacted by the USAID Project Management Unit prior to the ENTRENA contract, and a group of NGOs had contacted USAID/DR to inquire about funding possibilities. In addition, ENTRENA conducted five regional orientation meetings at the project's outset and were able to inform some NGOs about the project. A few NGOs (one or two) heard of the project later.

In a majority of cases the NGOs already had some kind of a concept paper or present project description. In this respect, project designs are driven by NGO present portfolios rather than USAID project management. In a few cases the NGOs reported adjusting their present projects to "fit" USAID strategic objectives.

Table C-1 is an inverted pyramid paradigm scheme which traces NGO awareness to eventual grants.

TABLE C-1: NGO Requests to Eventual Grants

Form of Request	Number
NGOs informed of project	700
NGO discussion with ENTRENA or Project Management Unit	250
Inquiry letters, interest	130
Submission of concept papers	45
Concept papers approved to date	39
Applications pending	12
Grants awarded	18

Eleven NGOs initiated the process and dropped out as they were preparing concept papers or at other stages in the selection process.

2. Processing Subprojects

The USAID Project Management Unit has documented the elaborate and complicated selection process for awarding subproject grants. These procedures have gone through several changes and modifications during the project period. ENTRENA has modified its manual several times. NGO leaders interviewed were somewhat upset with the Mission's continual changes in selection criteria. The following chart, adapted from Amendment No.1, shows the basic selection and approval process for subgrants.

TABLE C-2: Subgrant Selection and Approval Process

STEP	DESCRIPTION
1	Initial Contact. NGO approaches project management unit and/or ENTRENA for information. NGO obtains participation manual.
2	Concept Paper. NGO presents concept paper for initial review and ascertain compliance with project parameters.
3	Submission for USAID review. Approved concept papers submitted to USAID Pre-Selection Committee for comments, approval or rejection.
4	Subgrant Application prepared. Concept papers approved require a full proposal. ENTRENA assists in project preparation. Pre-award survey made to determine NGOs' accountability and ability to manage funds. Environmental compliance is reviewed. NGO registraters with the Mission.
5	Application reviewed. ENTRENA assesses and grades applications.
6	USAID Selection Committee Review. ENTRENA and PSC send application to USAID Project Selection Committee for comments.
7	USAID Approval. After comments, NGO addendum, ENTRENA and PSC approvals, the Mission approves the grants.

Concept papers are submitted to ENTRENA to find out if the proposed subproject fits within the strategy and parameters of the PVO Co-Financing Project. Concept papers not fitting within project parameters are forwarded to USAID technical offers to see if they could be funded elsewhere by USAID/DR. These papers are roughly 5-10 page documents and are prepared by the NGOs following guidelines prepared by ENTRENA. If a project satisfies eligibility criteria the requesting NGO registers with USAID/DR and prepares a grant application.

3. Subproject Selection

Once concept papers are approved by the USAID/DR Project Committee, ENTRENA works with NGOs to prepare the grant application. ENTRENA has written an elaborate and well-written "Manual for Preparing Grant Applications" which is used the NGOs. The general atmosphere is one where once concept papers are approved, the grant application stage is practically automatic and NGOs almost certainly will be awarded a grant. A rigorous and positive interaction between NGOs and ENTRENA takes place in which projects are

developed using the logical framework. ENTRENA provides training and technical assistance.

Pre-award surveys get generally good reviews by NGO leaders. Also, a USAID/Santo Domingo telephone survey of 15 grantees entitled " Survey of Selected Customers (NGOs/PVOs)" found that NGOs appreciate the rigor of NGO auditing and financial administration.

National NGOs find the grant application process tedious. A majority of NGO leaders believe this project does not represent "one step backward" as the Mission intended but rather continual micro-management. However, there is recognition that the process has strengthened NGOs. Most complaints are that the project preparation process is too long, tedious and overwhelming, with USAID/DR's rigorous requirements. Some feel that this is not necessary for good project implementation. A majority of NGO leaders expressed a "trust me" and "we know how" attitude. Another complaint by mature NGOs is that ENTRENA treats all NGOs the same way regardless of their project preparation experience. As reported earlier regarding project assumptions, the national NGO's ability to prepare projects is much lower than assumed in project design. Younger and smaller national NGOs generally have no complaints with the project preparation process.

The result of having NGOs prepare projects under tight scrutiny is a significant and positive change in the project designs and preparation process. A majority of NGO leaders state that they did not have good project designs before this project started. NGO leaders report that their projects are well-focused and they have tighter controls on administration and financial issues. In the 18 grant applications submitted to date documentations is of uniformly high quality.

The PVO Co-Financing Project will meet its target of 35 subproject grants awarded under this current selection process. Regarding changing selection procedures, the evaluation team reviewed several different modifications proposed and they all recommend 1) cutting down on USAID/DR review time, and 2) cutting down the time from concept paper presentation to grant award. Despite complaints by NGO leaders, they do not recommend making more changes in the selection procedures. In fact, a majority praise USAID/DR for being rigorous in the Co-Financing Project. Several NGO leaders complained about uneven treatment and recommend applying the same standards to other USAID/DR NGO-financed projects.

4. Selection Criteria Changes

Most NGO leaders interviewed do not feel that there has been strong USAID/DR or GODR intervention in the selection process. NGO leaders are aware of their presence but ENTRENA serves well as an appropriate buffer. All NGO leaders commended USAID/DR and ENTRENA for being fair in selecting national NGOs. Almost all NGO leaders interviewed did not want further changes.

5. Grantee Compliance with Project Requirements

Regarding the effects of new USAID/DR criteria on NGO success, there is general discontent among NGO leaders in terms of the rationale behind the new criteria. What, they ask, is the USAID/DR philosophy regarding NGO institutional strengthening or service delivery (the two project purposes) that these criteria are attempting to foster? They believe that USAID/DR comes up short in providing a reasonable rationale. Comments on specific criteria follow:

- No vehicles procured with USAID funds. As expected, nobody interviewed thinks this is appropriate. NGO leaders working in rural communities described the need for transport to their clients. They believe that it should be their decision to acquire vehicles when needed.

- No credit programs financed under the project. This restriction has not been a problem with the NGOs.

- Grantees must cover 50% of the cost of project personnel.This is viewed by all NGO leaders as without foundation from both philosophical and development assistance perspectives. A few admitted violating the spirit of this criteria by doing "creative financing" and having personnel funded from other international grants and thereby getting around this restriction. Almost all NGO leaders criticized what a few called the "hypocrisy" of such a criteria.

- Beneficiary contributions may not be counted as part of the grantee contribution in order to reach the required 25% minimum counterpart contribution. Again, this criteria was unanimously rejected by NGO leaders from both conceptual and practical perspectives. Most interviewed stated that their grants instill voluntary community participation for project implementation, group meetings and community planning, all fostered by the NGOs.

- A PVO/NGO cannot receive grant funds in annual amounts greater than double their average annual income over the previous three years. Nobody interviewed viewed this as a problem. Few NGO leaders had even heard of this criteria.

6. Grant Awards

The demand for grant assistance is far greater than anticipated in the original project paper, and the response of the NGO community has also been greater than anticipated. The project paper envisaged the average size of the subgrants to be in the order of $200,000, with an eligible range from a minimum of $50,000 to a maximum of $1.0 million established by the Mission. The first four approved subgrants averaged $812,000.

According to USAID/DR documents, the 35 subgrants will reach about $20.0 million as planned. National NGOs are hard pressed to find grant funding and are therefore willing to go along with USAID requirements.

D. INSTITUTIONAL STRENGTHENING

This section provides findings on the appropriateness of measures being taken to promote sustainability of subprojects and NGOs/PVOs. The focus here is on the PVO co-financing model (as practiced in the USAID-Dominican Republic) and not on individual organizations and subprojects. Special attention is paid to sustainability which is defined as the capacity for NGOs and service mechanisms to continue financially, administratively and technically after the end of the Co-Financing Project.

The analysis presented here follows a simple model of NGO sustainability. The model sees all NGOs as having three functions:

a) Acquisition of resources (which includes such activities as proposal preparation and fund raising);
b) internal management of resources (which includes systems for management of projects, staff and information); and
c) delivery of services to client communities and beneficiaries (which includes community development, revolving funds, and concrete activities in areas such as health, and agriculture.)

1. The Project Paper and Sustainability

In the PVO Co-Financing Project Paper, issues related to institutional strengthening appear in four sections: a) a discussion of project recurrent cost implications on pages 50 and 51; b) a description of project support unit responsibilities on page 37; c) analysis of Dominican NGOs in Annex G; and, d) the Co-Financing logical framework in Annex A.

a. Recurrent Cost Implications in the Project Paper

Pages 50 and 51 of the PVO Co-Financing project paper state the following regarding project recurrent cost implications:

- "Past evaluations of PVOs indicate that most PVOs rarely become self sufficient."

- "USAID's selection criteria have been developed to place important emphasis on the recurrent cost issue";

- "USAID review of individual subgrants will address the issue of the recurrent costs inherent in a proposal, the commitment of the beneficiaries to support the activity during implementation and the post-implementation (recurrent cost) period, and the likelihood the project's recurrent costs will be financed."

- "...the USAID project will improve local PVO capability to undertake projects and account for grant funds thereby enhancing their ability to successfully obtain funding from other sources."

In the project paper recurrent costs problems inherent in NGOs are explicitly recognized. The strategy suggested for solving the problems is essentially passive, and consists of the following components:

1) Application of rigorous selection criteria;
2) USAID insistence on commitment of beneficiaries; and,
3) A "learn by doing" process where NGO ability to manage and account for resources accrues through participation in the project.

b. PVO Support Unit Responsibilities

Page 37 of the Project Paper lists the tasks of the PVO Support Unit (ENTRENA) as follows:

- Coordinate and promote PVO registration with USAID
- Coordinate proposal review process
- Assist PVOs in meeting AID requirements
- Oversee management of project funds
- First line monitoring of subgrants and implementation
- Schedule and undertake USAID site visits
- Create and maintain an information system for USAID on PVOs
- Prepare basic USAID documentation for subgrants, including USAID correspondence
- Facilitate USAID monitoring of project
- Prepare USAID's financial monitoring of project
- Organize and provide logistical support for USAID seminars for PVOs on project development, design, implementation, financial management, and reporting
- Provide recommendations related to the Technical Assistance Fund and for TA and training

Of the numerous tasks assigned to ENTRENA, none deals directly with organizational strengthening, or producing sustainability among NGOs and delivery systems. Most tasks are in the "operational" areas of coordination, meeting USAID/DR requirements, monitoring, information and documentation. Only two of the tasks, (seminars and recommendations for technical assistance) could be interpreted as focusing on institutional strengthening and sustainability.

c. Organizational Analysis in the Project Paper

The organizational analysis introduction in Annex G of the project paper includes the following:

> "The objective of the institutional analysis is to examine whether socially or developmentally oriented Private Volunteer Organizations (PVOs) are willing and able to meet the responsibilities assigned to them under the PVO Co-Financing Project..."

The organizational strength analyses in the Project Paper were carried out to determine which organizations would provide strong service delivery, and not to design strategies to strengthen organizations or increase their sustainability.

d. History of the Project

From the beginning of the PVO Co-Financing project there has been concern among AID personnel regarding organizational strengthening and the sustainability of NGOs and delivery systems. Concern with sustainability of NGOs increased with the arrival of Brian Atwood in 1992 as Administrator of AID. In 1994 the project was amended. However, after some debate, the addition of an institutional strengthening and training component was rejected.

In the project paper, sustainability of NGOs and delivery mechanisms after the end of the PVO Co-Financing project are recognized as issues in the recurrent costs discussion, and mentioned as objectives in the logical framework. Nowhere in the project paper, however, are strategies or concrete actions for arriving at sustainability described. Places where such a sustainability strategy might appear are the logical framework, description of support contractor responsibilities, and the organizational analysis of NGO/PVO candidates. The project paper institutional strengthening approach is essentially passive, and limited to imposition of selection criteria, and "learning by doing".

2. Types of NGOs Strengthened

Tables D-1, D-2, and D-3 present types of NGOs chosen for strengthening by the PVO Co-Financing Project. Table D-1 classifies NGOs supported by the project according to the USAID-Dominican Republic Strategic Objective to which they contribute. The match between the objectives of NGOs selected by the Co-Financing Project and Strategic Objectives of USAID-Dominican Republic is as follows:

- 44% of the subprojects contribute to "health water and sanitation"
- 44% of the subprojects contribute to "increased economic opportunity for the disadvantaged" (if you include agriculture);
- 23% contribute to "environment and energy" (if subprojects with a reforestation component are included).

TABLE D-1: Co-Financing Project NGOS Classified by Strategic Objective

Strategic Objective	# NGOs	% of Total
Increased Economic Opportunities for the Disadvantaged -FDD (micro-enterprise) -Caritas (women's employment) -FUNDEJUR (youth employment) -EDUDELC (women's employment)	4	22
Agriculture -FIRENA (irrigation, land tenure) -Hermandad (irrigation) -CRS (tools, seeds) -ADEPE (agroforestry)	4	22
Health/Water/Sanitation -CONASUMI (maternal, child health) -AAVI (latrines, education) -FEDUCO (water, sanitation, nutrition) -Hermandad (latrines, education) -MUDE (water, latrines) -SODIN (water, sanitation) -CES (health training) -LDCC (women's cancer prevention, detection) -IDDI (water and sanitation)	9	50
Environment-Primary -CEBSE-CMC (environmental education, biodiversity) Environment - Secondary -ADEPE (reforestation, soil conservation) -Hemandad (reforestation) -FEDUCO (soil conservation)	1 3	6 17
Democratic Initiatives-Primary -IDDI Democratic Initiatives-Secondary	1 Various	6
Total Subprojects	18	>100*

*Because some projects contribute to more than one Strategic Objective

Table D-2 classifies 13 NGO supported subprojects according to organizational strength as assessed by the PVO Co-Financing project paper. In general selection criteria and processes favored experienced and mature NGOs. Exceptions are: SODIN, EDUDELC, and the local associations supported by CRS.

TABLE D-2: Estimated Before Project Organizational Strength of the NGOs

Organization	Organizational Strength as Reported in the Project Paper
1. ADESJO (FIRENA)	Strong
2. FIRENA	Strong
3. ADEPE	Strong
4. CARITAS	Strong
5. FUDECO	Strong
6. MUDE	Strong
7. FDD	Good
8. IDDI	Good
9. Fundacion Natura	Weak
10. FUNDEJUR	Weak
11. Floresta	Weak

Table D-3 classifies NGOs supported by the PVO Co-Financing Project according to whether they received various kinds of AID support before the project. The selection criteria and process rewarded NGOs which were not previously part of AID's process and networks.

TABLE D-3: NGO Contact with USAID Before the Co-financing Project

Previous Support, Contact with USAID/Dominican Republic	Number and Percent
Number and percent registered with USAID as of 1989	7/18=39%
Number and percent receiving OPG funds as of 1989	2/18=11%
Number and percent that received AID funds through the local currency program* as of 1989	7/18=37%*
Number and percent analyzed in the Project Paper (1989)	11/61=%

* Includes representatives of foreign PVOs as well.

Table D-3 indicates that:

- 56% of the NGOs who got Co-Financing funds were not previously registered with AID;
- 78% had not participated in AID/Dominican Republic's OPG program;
- 39% had not participated in AID/Dominican Republic's Local Currency program; and
- 33% were not analyzed in the PVO Co-Financing Project Paper.

Also:

- 4/18 or 22% of the NGOs had official connections with and receive direct support from foreign NGOs (AAVI, Caritas, CRS, Hermandad etc.);
- 3/18 or 17% of the NGOs were integrated rural development organizations with prominent development and political roles in their regions (FIRENA, FUNDECO, ADEPE);
- 2/18 or 11% of the NGOs were major players on a national level in their technical area or sector (FDD in micro-enterprise development, and CONASUMI in mother and child health).

3. The Selection and Proposal Process and Institutional Strengthening

Much of ENTRENA efforts were dedicated to selecting NGOs and subprojects and helping NGOs in the preparation of proposals to be funded through the Co-financing Project. During the selection and proposal process, the pre-award survey played a central role. Table D-4 provides assessment of the effect of selection criteria and preparation of proposals on or sample of NGOs. The table indicates that for virtually all the NGOs there was strengthening of a capacity to prepare proposals, and perhaps to get resources from donors. Some NGOs may have strengthened their capacity to obtain resources in the future through:

- Acquisition of legal NGO status
- Formation of partnerships and consortia
- Complying with environmental guidelines
- Hiring of approximately 100 professionals

For some NGOs, delivery services may have been permanently strengthened through:

- Expansion of coverage of existing services

- Formalization of commitments regarding counterpart funds and the environment
- Inclusion of complementary efforts
- Experience delivering new services
- Formation of partnerships and consortia
- Hiring of approximately 130 technical personnel

An overall finding regarding the selection criteria and proposal preparation process is that "tough love works". The types of changes listed in Table D-4 were primarily accomplished with the imposition of rigorous selection criteria and processes, combined with active debate, negotiation, and assistance in the preparation of concept documents and project proposals, primarily the latter.

TABLE D-4: Important Organizational and Service Delivery Changes Resulting from the Pre-Award Survey, Selection and Proposal Processes (The NGO Perspective)

NGO	CHANGES	
	ORGANIZATIONS	ON DELIVERY MECHANISMS
ALL NGOS	Complete, high quality proposals Accounting and internal controls improved	-Demanding community participation requirements put into practice -Compliance with environmental guidelines
ADEPE (Espaillat)	Required summary of 12 years work, which is useful for all future proposals	First proposal was reforestation; project required production, economic activities as well
FIRENA (Ocoa)	A series of commitments on counterpart funds, agreements with other institutions	Compliance with the environmental guidelines
CONASUMI (Maternal-child health)	-Consortium of 14 organizations with IIDI as sponsor -Legal Status for CONASUMI	
FDD (Micro-enterprise, employment)		-A new service, and training program, developed -6-8 new institutional relationships were to channel trainees to FDD
Hermandad (Integrated rural development)	-Project required and instigated Legal Status for the "Farmers' Alliance" -Incorporation as an official NGO	Focus imposed. Massive reforestation, housing, community crops, removed from original plan
AVIS (Latrines, water, health education)	May have delayed production and self financing activities	-Major scale-up: 6x for the latrines, (300 to 2350); 7.5 x for the maternal child education (1000 to 7500) -Original proposal was for 46 committees, had to scale down to 18
Catholic Relief Services (tools, seeds)	3 local associations established links with CRS to qualify them for funding	
Caritas (employment generation for women)	-Endowment used to establish factory to generate money for NGO -Concept shifted from home production to factory	Training in health and sanitation expanded
CEBSE-CMC (Environment, sustainable development)	-Joint venture of CEBSE with CMC -CEBSE would like financial responsibility to get experience in that area	Community development and environmental education activities put in practice by an NGO already strong in data collection and analysis
MUDE (National women's group)	Shift from focus on women's activities to focus on women as community leaders who identify problems and channel resources.	First experience with potable water infrastructure and reforestation
SODIN (water, sanitation, health education)	Endowment used to build cement block factory to generate funds for the NGO	
EDUDELC (women's employment)	First relationship with major donor	Cut training time from 9 to 6 months
Liga Contra el Cancer (for child-bearing age women)	A network of links established with clinics, free zones	Clinic services expanded to include preventive activities: education, early detection

4. Workshops, Seminars, and Technical Assistance

Workshops, seminars, training and technical assistance are means for accomplishing institutional strengthening. In Tables D-5 and D-6 training and technical assistance offered to NGOs by the PVO Co-Financing project are summarized.

a. Distribution of workshops and seminars and technical assistance

Effort has been made to divide workshops, seminars and technical assistance among: proposal preparation and planning, project management, and service delivery mechanism. Tables D-5 and D-6 are adapted from tables prepared by ENTRENA and the PVO Co-Financing Project Newsletter.

Tables D-5 and D-6 show that:

- Service delivery has received relatively little attention in workshops especially when compared to proposal preparation/design and internal management;
- Technical assistance to the NGOs has been sparse, perhaps for budgetary reasons. An exception appears to be in the area of economic analysis. Resources for technical assistance beyond what ENTRENA permanent staff can offer was limited (14 person-months total).

TABLE D-5: Workshops and Seminars
(Through October 1994)

EVENTS	NUMBER OF NGOS
RESOURCE ACQUISITION: PROPOSAL PREPARATION	
Project design	30
Logical Framework -2	10
Economic Feasibility	28
Environmental impact/watersheds	20
RESOURCE ACQUISITION: MANAGEMENT OF FUNDS	
Fund Raising -2	35
Fund Accounting	20
Counterpart Contributions	32
PROJECT, STAFF, AND INFORMATION MANAGEMENT	
Monitoring and Evaluation	12
Statistical Systems	13
Vouchering	10
SERVICE DELIVERY	
Community Participation	15
Pest and Pesticide Management	10

TABLE D-6: Technical Assistance Missions
(Through October 1994)

TECHNICAL ASSISTANCE TOPICS	NUMBER OF CONSULTANCIES (Approximately 1.5 weeks per consultancy)
RESOURCE ACQUISITION: PROPOSAL PREPARATION	
Project design	2
Economic analysis	12
Market studies	2
Environmental analysis	4
PROJECT AND INFORMATION MANAGEMENT	
Management Information systems	3
DELIVERY SYSTEMS	
Community Development	3
Public Health	2
Agroforestry	2
Mid-Term Evaluations	3
OTHER	
Electromechanical design	1

Regarding technical assistance offered by the Co-Financing project, most NGO leaders interviewed stated that:

- ENTRENA was not staffed to give intense, individualized sustainability assistance to all 18 NGOs;

- NGO management is well on the way to competence in use of the logical framework project design tool;

- NGOs have management information systems in terms of tracking easily countable activities such as trainees, events, and trees planted. In general, systems seem to be designed to meet AID requirements rather than providing information for NGO and ENTRENA management decisions at the operational and strategic levels.

5. Financial Sustainability of NGOs and Service Delivery

The evaluation team assessed measures participating NGOs are taking to improve their own financial sustainability. Sustainability plans made as a result of a sustainability workshop were also analyzed. Table D-7 summarizes the sustainability situations and

measures of participating NGOs. A division is made between financial support for an organization as a whole, and support for the service delivery supported by the Co-Financing project. Common mechanisms for financing delivery systems are shown in Table D-8.

TABLE D-7: Observations Regarding Financial Sustainability

NGO	THE ORGANIZATION	THE DELIVERY SYSTEM
ADEPE	-Currently negotiating with co-financing project on counterpart funds and recurrent costs -A resource generation department is planned which will manage: 1) rotating funds; 2) production and artisan businesses; 3) membership dues; and, 4) fairs/cultural and social activities	-Two rotating funds: 1) short term based on bee culture production; 2) longer term may include tree-reforestation (avocadoes, fruit trees, lumber trees) -Participants expressed concern about whether there will be markets for lumber
FIRENA	-An aggressive program -A variety of sources -Grants, fund raising -Environmental compliance has been put up as counterpart funds to the satisfaction of other donors -Temporary Executive Director hired	-Irrigation system investment: area under cultivation determines how much each family pays. 4-12 year payment period based on economic analysis, with interest -Rotating funds: tree nursery, reforestation, irrigation system maintenance -Marketing and commercialization of vegetables a concern -High level project staff may leave due to lack of salary at end of project
CONASUMI	CONASUMI has been heavily financed in the past by AID, and without subsidy may have difficulty surviving.	-CONASUMI is made of up many service delivery organizations -Plentiful donor funds have been available through AID's Child Survival programs -Mechanisms and experience favor dependence on donors and subsidy
FDD	-Relationships with German donor, BID -Sophisticated in relations with donors -Has prepared a draft law to make donations to NGOs attractive (again)	-Considering charging for consulting -Concern that FIA is in direct competition -TA to clients paid out of interest -Training partially paid for by trainees (28%), but this cannot cover all costs
AAVI	Has a fund-raising operation in the US to support the organization	-Economic ideas are wood lots, bee culture, and a farm on community land which is community run. Economic study done. -Plans for economic activity may have been interrupted by the Co-Financing Project -Organizational and sociological aspects of feasibility probably not taken into account
Hermandad	New York office raises funds	-Users pay, depending on ability, 1 to 5 pesos per week -Money goes to a person who maintains system
Caritas	Through endowment AID financed a clothing factory whose income will be shared among employees, factory maintenance and improvement, and the Promotion Center which offers education and health services.	

CRS		Seed and tool banks -Started with AID money -Rotating funds -Seeds and tools repaid by farmers after harvest at 110%. 1180 pesos for 1000 pesos worth of tools and seeds after harvest
CEBSE	Tinker and Ford Foundations finance scientific and environmental education work	-Plans to charge for: publications, T-Shirts, services to tourists, "Green" taxis, consulting fees, fees for seminars
SODIN	Under an endowment arrangement, AID has financed a cement block factory to generate funds for the NGO	Community members pay a maintenance fee negotiated by committee (60% of costs)
MUDE	-MUDE active for 15 years -Last 2 years donor interest -Resources from other donors -BID, CARE, Micro-Enterprise project	-A charge per family for access to water
Liga Contra el Cancer	Strong local fund raising efforts	A complex financing program, including scaled charges for detection depending on socio-economic level

TABLE D-8: Some Mechanisms to Finance Service Delivery

FEE FOR SERVICE
Water FIRENA: water use fees, proceeds go to irrigation system maintenance MUDE, AAVI, Hermandad, SODIN, IDDI: potable water use, proceeds go to system maintenance
Health LDCC - detection kits donated, detection charged for according to ability to pay
Business training FDD - some trainees pay in kind, there may be a training requirement for credit EDUDELC - fee for training
ROLLING FUNDS, ENDOWMENTS
Rolling Funds -Initial Investment for Economic Activity ADEPE: bee keeping, fruit trees, wood trees Hermandad: bee keeping AAVI: bee keeping
Resource Banks FIRENA: tree nursery, reforestation CRS: tool bank, seed bank
Endowment Caritas, SODIN - Endowment established factories, some proceeds go to service delivery
Business Ventures FUDECO - meat processing plant (proceeds to the NGO, not to a specific service)

Table D-7 shows that:

- The situation with respect to sustainability varies widely among the NGOs supported by the Co-Financing project.

- The Co-Financing Project includes 2 experiments with modest endowments to support small NGOs.

- Most NGOs supported by the project are also supported by other donors, and/or have prospects for new projects and funding.

Table D-8 shows that: a) beneficiary sharing of costs for service delivery, either in kind or monetary, is common; and b) the Co-Financing project includes experiments with fee for service, rolling funds, resource banks, and endowments. In most cases it is too early to determine the extent to which recurrent costs will be covered by the mechanisms in place. Detailed analysis of the different financing mechanisms was impossible because serious analysis requires access to NGO accounting records. An overall impression is that the logic and effect of beneficiary sharing of costs is primarily to ensure seriousness and commitment of beneficiaries, and only secondarily to make further subsidy unnecessary. According the ENTRENA staff one arrangement with good cost coverage prospects is the EDUDELC endowment.

Reasons for the vulnerability, over the long and even medium term, of service delivery systems supported by NGOs are:

1) Cost coverage: Virtually all the beneficiaries of the PVO Co-Financing project are extremely poor. Therefore the logic and effect of beneficiary sharing of costs has been primarily to ensure seriousness, commitment of beneficiaries and only secondarily to recover recurrent costs. In the majority of cases (there are exceptions) total recovery of recurrent costs over the near or even medium term is doubtful.

2) Dependence on NGO Technical Assistance: Delivery systems depend, and will continue to depend after the project, on technical and community development assistance by NGO staff. After the end of the Financing project these individuals may transfer to other duties or leave the NGO.

3) Possible abandonment by NGOs: In many instances, survival of an NGO and survival of service delivery supported under the Co-Financing project are separable. That is, survival of the NGO which begins a service deliver system does not guarantee the system will be sustained after project money is spent. NGOs activities are largely determined by donor interests, and other donors may prefer to begin their own projects rather than continue projects begun by AID.

4) Co-Financing Project Emphasis: Sustainability of service delivery has received relatively little attention in workshops especially when compared to proposal preparation and design. To the extent that sustainability has been addressed, the focus has been on raising

funds for NGOs as a whole, rather than survival of service delivery implemented under the project.

6. Community Participation and Sustainability

An hypothesis of the PVO Co-Financing project is that community participation in delivery systems is necessary if the systems are to be sustainable. Table D-9 summarizes findings from a sample of six NGOs.

Some general observations regarding participative mechanisms are: a) there has been a serious effort at complying with community participation requirements of the Co-Financing project; b) PVO Co-financing projects are perceived by beneficiaries as more participative than projects financed by other donors; c) interviews reveal a mix of beliefs regarding whether delivery systems and mechanisms belong to the community, the donor or the intermediary NGO; and, d) ENTRENA eliminated at least one proposal because a visit to the project site did not reveal sufficient awareness of the subproject and participation in it by community members.

TABLE D-9: Profiles of Community Participation Mechanisms

Organization	PARTICIPATIVE MECHANISMS
ADEPE (Reforestation, agro-forestry)	-Sectoral committees the driving force -17 sectoral committees made up of members of different types of associations -8 members per sectoral committee -Sectoral Committees order trees, organize work -Some committees deal with general community needs as well
FIRENA Irrigation	-Irrigation Committees, also Vigilance Committees for forest protection -60 community reps -Community-FIRENA agreements, interchanges among communities -Committee has run competitive, transparent procurement process ($2,700,000 US for equipment)
AVIS (Water, latrines, health education)	-Mother-promoters the driving force -They work 2 days a week -18 communities, 130 promoters so far -The promotor interviewed had 39 families in her care -Major role is tracking and solving children' health problems
Hermandad (Integrated development)	-"Daily Brigades" in each community -12 communities -Several members from each community formed the basis for "Alianza" -Irrigation and potable water system repairs and reforestation
MUDE (Water, latrines)	-Works through woman's associations, 10 to 30 members each -6 rural communities in three areas -Women's associations identified need and channeled resources to community development and potable water rather than to a "women's" activity, a first
CEBSE (Environmental ed, sustainable development)	-Community mobilization through schools -8 promoters, working about 18 person months per year (6 months each). -Ecological groups in the school, and the community -Beach clean up activities -Tourism: whale observation boat captains who limit how close boats can go to whales. 2 pilot associations, 3-4 large operators, 15 smaller operators

The PVO Co-Financing project has begun, expanded or improved between 20 and 50 service delivery systems (depending on how they are counted) in potable water, sanitation, health education, irrigation, reforestation, environmental education, employment and income generation. Both on their own and due to USAID/DR and ENTRENA insistence, NGOs address the sustainability of their service delivery systems. Without exception, service delivery systems include 1) community based committees and brigades; and 2) beneficiary sharing of costs through work, cash, and in-kind contribution. Financial arrangements include: 1) fees for services (water, business training, cancer detection); 2) rolling funds (bees, tree nurseries, tools, seeds); and, 3) and endowments to build factories to generate income for services as well as for NGOs proper.

7. Sustainability of Delivery Systems: Non-Financial Aspects

a. Negotiated Decisions and Sustainability

One key to sustainability is shared investment and shared benefits among groups with needs which can either conflict with or complement each other, depending on how their needs are analyzed and organized. The PVO Co-Financing project has incorporated some decision-making mechanisms which seem to maximize complementary and minimize conflict. In this section some promising mechanisms are described.

MUDE - Sharing of Water Resources

Near Santiago a cattle rancher is letting project communities put potable water aqueducts on his land, and reforest around the water sources. The benefit to the community is potable water. Benefits to the cattle rancher are potable water and reforestation. There was already an informal relationship between the rancher and the communities based on his hiring of employees. The arrangement may undergo strain when the ranchers' children take over. Therefore, MUDE is trying to get the relationship nailed down contractually.

FIRENA - Internal Land Reform

Around Ocoa, landed farmers are giving land use rights to unlanded farmers in exchange for financing of irrigation systems which benefit both the landed and the unlanded groups. The Dominican Government has encouraged this arrangement, and the process seems to have acquired a life of its own. In effect, the PVO Co-Financing project has advanced and strengthened "internal land reform" in the area around Ocoa. With good reason the arrangement has been the subject of independent analysis ("Evaluation de las Metodologias Usadas en la Transferencia de Tierras en el Proyecto FIRENA II", David Samuel Meyercord, 1993, PADF and University of Florida). A problem identified by the analysis is lack of legal basis for land use rights.

FIRENA - Vigilance Committee

A Vigilance Committee to control forest fires has also been strengthened under the Co-Financing Project. The committee consists of 3 people from each Community Irrigation Committee. Every 15 days each community checks watch sources to prevent and control forest fires and illegal tree cutting. Committee members have cards showing their authority but no weapons. When they can't correct a problem they go to the police. They have legally denounced forest fires, and may have caused at least one person to be jailed. A problem identified by the Meyercord analysis is that the Vigilance Committees are sometimes not backed up by legal authorities.

Hermandad

During irrigation committee negotiations, one community bowed out due to conflict with a pre-existing irrigation system. The cofinancing project aqueduct would have taken water from an already existing irrigation system.

b. Conflict among Project Models and Philosophies

The philosophy at the heart of USAID-Dominican Republic's Co-Financing Project has caused competition and even conflict with other projects based on other philosophies. The cofinancing project philosophy is to share investment and responsibility with local NGOs and also with beneficiaries and their communities. It should be no surprise that this demanding model sometimes appears less attractive to beneficiaries than projects that ask for less and perhaps give more.

An example of conflict among project models is the MUDE activity near Santiago. The MUDE project offers potable water delivered to community taps through simple gravity-fed pipes. Another donor offered two of the MUDE communities a package that included: 1) pumps, 2) in-house service and 3) minimal community investment and participation.

One of the two communities opted for the more attractive alternative and bowed out of the co-financing arrangement. Another remained faithful. A leader of a women's group in the faithful community argued that the delivery of simpler MUDE system was more certain and therefore preferable to the co-financing approach. To this day the donor with the fancier, less demanding approach has not delivered on its offer, and there is no turning back. That is, the MUDE system can not be re-designed to include the "departed" community in the event that the competing donor can not make good on its promises. MUDE has continued training in potable water use for the "traitor" community, and rumor has it that many women in the "departed" community favored the smaller, surer MUDE system, but lost the debate to the men.

E. DEMOCRATIC INITIATIVES

This section provides findings on the extent to which democratic values are being promoted by the PVO Co-Financing Project and the NGO/PVO grantees.

1. Project Assumptions

According to the PVO Co-Financing project paper, criteria for the selection of the NGOs include their capacity to show an impact on the strengthening of democratic values through: a) the promotion of community participation in the initial decision and design of the subprojects, and in the financial support of the proposed activities; b) the equitable distribution of benefits; and c) the strengthening of the organization of the beneficiary communities in order to be able to take their own decisions concerning the implementation of their activities, the distribution of results, and the sustainability of NGOs.

2. Concept of Democratic Values in PVO Co-Financing Project

The project asks the NGOs to assess the impact that their subprojects will have on democratic values such as participation of beneficiaries in the decision making process, and their access to the benefits (results) of the subprojects.

This definition of what constitutes democratic values implies a limited functional and operational concept of democracy. Some NGOs prefer to emphasize other democratic notions and values, such as the respect to the basic rights of others, the notion of empowerment through institutional organization and the notion of institutional mobilization as an instrument for democratic development.

Other NGOs prefer the project definition of democratic values and appraise their democratic initiatives performance in terms of providing participatory training to beneficiaries, or meeting the short-term organizational goals of their subprojects (for example, providing by-laws to beneficiary community organizations).

There are yet other NGOs which do not directly pursue democratic initiatives goals in their subprojects. These NGOs assume community democratization as a natural sub-product of their activities, as something that will naturally occur if they mobilize people toward the attaining of their subproject goals.

3. Concept of Democratic Values in Subproject Sites

a. At the level of community activities

For many communities influenced by subprojects the concept of democratic initiatives is an notion assimilated over the years from different sources, and through their local and regional political struggles.

As NGOs started their subprojects in different communities, both their staff members and community leaders soon realized that the idea of participatory democracy preceded the implementation of the subprojects. A majority of the approximately 400 subproject site communities had some kind of democratic organization before the subprojects began. About one-half of these communities had been working with NGOs before the subproject grants were awarded. Yet there exists the extended idea in both the majority of NGOs and the beneficiary communities that the dominant political culture is an authoritarian one. The subprojects have been perceived by some beneficiary groups as new opportunities to break with authoritarian traditions.

b. Beneficiary concept of community action

In all beneficiary communities there is a new consensus as to what effective participatory democracy consists of. Most people interviewed at subproject sites declared that the project had been instrumental in teaching them the advantages of participatory mobilization. Many say now that they prefer new leadership systems over the traditional ones which normally called for one-person rule, physical mobilization, street rallies, and popular acclamations.

Communities have learned through the execution of subprojects that new forms of participatory leadership empower the common people, particularly women, the young, and the poor. In some sites people are already talking of "equality among all" as the best way to organize resources for community projects. Others are emphasizing the newly acquired leadership role of women, and their capacity to perform leadership roles.

Many attribute this type of empowerment to the execution of the subprojects, although they recognize that they already were familiar with the ideas of participatory democracy. In their opinion, the difference now is the training component of the subprojects in participatory democracy and institutional mobilization. They concur in that, without the subprojects, democratic initiatives would still be an ideal, not a practice.

However, most communities do not focus their efforts on democratic practices and values, but on specific material problems. They focus in on certain urgent issues, such as lack of water, lack of sanitation, and lack of health services. NGOs have quickly learned to use these concerns to mobilize communities via their local associations.

These associations are normally old institutions with their own history of accomplishments and/or failures. By associating themselves with the NGOs and the subprojects, these associations have acquired a new dynamic, and many of them have been re-legitimized. Many of their leaders have received training from the subprojects or are scheduled to receive it. As they are exposed to the new ideas of participatory democracy, they are becoming more willing to undertake community actions in ways hitherto unknown to them.

c. Levels of community development decision making

Before the project began, many community associations used to take decisions by majority vote. In most sites visited, community leaders described how they now they prefer to decide through consensus in order to respect minority rights. However, there is a minimal involvement of communities in long-term planning of community development. Until now, most communities influenced by the subprojects have been deprived of the possibility of exerting a participatory style of leadership, and are now discovering that their newly empowered leaders can look farther into the future. A potential constraint is that these leaders are very focused in the particular subprojects sponsored by the PVO Co-Financing Project, and there is no guarantee that once their immediate needs are satisfied they will proceed with other projects.

4. Incorporation of Democratic Values into NGOs Operations

a. Strategies that NGOs use to incorporate communities into their operations

NGOs have been very careful in not disrupting the traditional leadership of the target communities, and have preferred to operate within their power structures.

Most NGOs visited concur on the opinion that the traditional leadership and the political culture of their communities are strongly authoritarian, and paternalistic. By not confronting them openly and instead incorporating the traditional leaders into the subprojects the NGOs have assured a considerable degree of social support for the subprojects together with the possibility of exposing leaders to fresh ideas of participatory democracy.

Moreover, NGOs normally emphasize the material aspects of the subprojects (for example, community aqueducts, wells, sanitation projects), rather than more political actions like democratic initiatives. Yet there are some subprojects which are quite strong in their emphasis on democratic values and practices, and are clearly conveying these ideas to the communities.

Most NGOs try to operate as unobtrusively as possible within the communities, avoiding being perceived as domineering or interventionist. On only one occasion did we find an NGO using paternalistic political practices in order to make their presence accepted by the local organizations. This was a paradoxical case of trying to promote democracy through non-democratic action.

b. Evidence of NGOs interest in strengthening and promoting democratic values

Most NGO leaders interviewed have developed a formal presentation regarding the importance of promoting democratic initiatives. There is, however, a considerable degree of variation between them in terms of their conceptualization of what constitutes democratic values, and some are not able to clearly conceptualize what it is meant by the term. For

some it is human rights, political participation and women's empowerment. For others it is a community strengthened in decision making and popular participation in community development projects.

Lack of precision in this type of conceptualization is no evidence of lack of comprehension of the importance of democracy, much less of lack of commitment to promotion of democratic values. It seems that the project's operational definition of democratic values, as limited to participation in the decision making process within the communities, is partially responsible for the inconsistency of definitions among NGOs.

There are several NGOs whose subprojects have strong democratic initiatives promotion components. They are, not by coincidence, the most articulate in their definitions and conceptualizations.

Other NGOs are not directly concerned with the issue. For them, their social action is enough of an input to promote some positive change within the communities. For some NGOs the delivery, for example, of their products in the health, education, sanitation and reforestation is sufficient to justify their involvement in the community, and they perceive the promotion of democratic values as someone elses responsibility, normally at a more global level.

5. NGOs Actions to Promote Democratic Values

a. Inclusion into service delivery

Almost all NGOs include democratic values within the context of their work. It is implicit in what they do, but many of them use a slow "walk and talk" methodology, although the more committed NGOs pay close attention to the training of community leaders.

b. Sub-components

Democratic values are not a sub-component of most projects. Even IDDI's project, with its strong emphasis on democratic initiatives, describes water and sanitation priorities as more important than democratic initiatives. IDDI justifies this preference by arguing that wretched individuals living in the lowest levels of misery and illness can not be taught democracy before they are brought up to a minimum survival level. This justification is based on IDDI's experience in the field. They promote democracy by organizing the community and by bringing its members to work together in water, health and sanitation projects. SODIN, FUNDEJUR, and APEDI are other examples of this type of activity. They promote democracy by carrying out their specific goal-oriented subprojects.

c. Technical assistance

About one half the NGOs provide specific courses and training sessions related to promoting democratic values. In most NGOs, some of these activities are only tangently related to democratic initiatives. However, there are some for which democratic participation

by community actors is key to attaining the subproject goals. For these NGOs the transmission of democratic values is important, and they conduct their training activities and technical assistance sessions without losing this perspective.

6. Effects of NGOs Interventions

a. Participation of communities in their own development

Most NGOs have succeeded in incorporating both the traditional and the emerging community leadership into the subprojects and NGO officers are aware of this accomplishment.

In some communities participants are quite enthusiastic about their involvement. Some realize they are becoming leaders or have already enhanced their established influence. Other communities simply realize that community involvement is the rule of the game. Most subprojects demand community participation, and/or voluntary work as a condition. For the communities the stakes are high: they either cooperate and get involved, or they are left out of the benefits of the subproject.

b. Community decision making

Most subprojects have also succeeded in promoting a sense of participation among community members as courses, workshops and training sessions focus upon the importance of sharing power in the decision making process. This process of power sharing is carried out through both the existing and the emerging leadership. However, by recruiting traditional, authoritarian or autocratic leaders into the process, the subprojects may be reinforcing their influence in the communities and thus perpetuating the traditional political culture. A counter argument made by some NGOs leaders is that by exposing themselves to the new forms of participatory democracy, traditional leaders start a process of ideological and personal transformation together with their communities.

c. Community planning

It was difficult to detect efforts at long-term community planning, other than those inspired by the subprojects. Yet, in some communities, some leaders are planning to transmit their newly acquired knowledge and democratic abilities to other organizations and communities.

7. Effectiveness/Benefits in Promoting Democratic Values

a. Possibilities of sustainability after NGOs leave

In terms of democratic values, the sustainability of the subprojects is not perceived as crucial because it is believed that ideas and practices will remain within the community and eventually will be disseminated to other individuals or groups. This is already happening in

some communities where members and leaders are promoting participatory ideas among friends of other communities and organizations.

b. Empowerment

The subprojects have been instrumental in promoting the empowerment of women and youngsters in urban and rural communities where these two groups were not able to exert a significant leadership role before the project started. It is equally significant that some communities, as a whole, have increased their capacity to operate within the larger society by consolidating their leadership through the participatory democratic practices learned under some subprojects.

Many individuals, particularly women, now play an enhanced role in their communities as health activists (promotoras de salud), or leaders of the local women organizations (clubes de madres), or as leading members of community nuclei, committees, and other organizations. Moreover, both women and youngsters operating within some subprojects now deal with older males in relatively equal political positions. They perform their new organizational roles without distinction of either gender or age, although in some cases urban community members declared their preference for male leaders whom they considered to be stronger than women.

F. ENVIRONMENTAL ISSUES

This section provides findings regarding the effectiveness of the use of environmental guidelines by NGOs/PVOs to develop and implement environmentally sound projects.

1. Environmental Review Guidelines and Procedures

The PVO Co-Financing Project is the only project financed by the USAID/DR Mission that supports agriculture, natural resources management, and environmental activities. At the time of this evaluation, the USAID/DR is considering adopting environmental issues as part of a fourth Mission strategic objective.

In compliance with the application of USAID Environmental Procedures, 22 CFR 216, a generic environmental assessment (EA) entitled Environmental Guidelines for "Rolling" Environmental Assessment was prepared for the PVO Co-Financing Project in January, 1992. During the two years following the preparation of this report, the following three sets of guidelines were developed for incorporation into project activities:

- Environmental Guidelines for PVOs and NGOs: Potable Water and Sanitation Projects, prepared in November of 1992 by the USAID centrally funded WASH Project.

- Environmental Guidelines for Watershed Protection Projects: Agroforestry, Forestry, Irrigation, and Soil Conservation, prepared in 1992 by the WASH Project.

- Environmental Assessment on of the Use of Pesticides in the Dominican Republic under the PVO Co-Financing Project, prepared in 1993 by ENTRENA.

In addition, as required by this last EA, ENTRENA developed in 1993 a Code of Conduct for Pesticide Use, and in 1994 ENTRENA contracted the Junta Agroempresarial Dominicana (JAD) to develop the manual entitled Rational Pest and Pesticide Management Guidelines. This manual is an adaptation to local conditions and needs of the Panamerican Agricultural School's pest/pesticide management training program.

To qualify for subproject funding, potential projects must comply with the PVO Co-Financing Project environmental requirements. Each activity identified as having potentially adverse environmental impacts is required to conduct a site-specific environmental review that includes: a) an analysis of the affected ecosystem; b) the identification of potentially adverse environmental impacts; and, c) incorporation of appropriate mitigation activities in the design and implementation of the project. In addition, interested NGOs must provide evidence of in-house technical expertise in those project areas that may have potentially adverse environmental impacts.

Most subprojects are relatively new. Therefore, some of the environmental and natural resources management activities under the PVO Co-Financing Project are rather recent. For instance, monitoring activities associated with the implementation of its environmental guidelines did not begin until October, 1994. At the time of this evaluation, 9 out of 18 subprojects being implemented are subject to environmental requirements, as follows:

TABLE F-1: PVO Co-financing Subprojects Subject to Guidelines

NGO	Subproject	Location	Activities
Asoc. para el Desarrollo San Jose de Ocoa	FIRENA II	San Jose de Ocoa	Agriculture, reforestation, irrigation, pesticide use
Hermandad	Integrated Community Development	Paravia	Latrine construction, irrigation, agriculture, reforestation
Asoc. Aguas Vivientes (AAVI)	Water and Sanitation	Azua	Latrine construction
Asoc. para el Desarrollo de la Provincia Espaillat (ADEPE)	Agroforestry and Income Generation	Moca (Jamao river watershed)	Pesticide use, agroforestry
Mujeres en Desarrollo (MUDE)	Water and Sanitation	La Vega	Latrines, potable water systems
Fundacion para el Desarrollo Comunitario (FUDECO)	Water and Sanitation	Dejabon, Elias Pina, San Juan, Santiago Rodriguez	Latrines, potable water systems
Instituto Dominicano de Desarrollo Integral (IDDI)	Water and Sanitation and Democratic Initiatives	Santo Domingo	Construction of potable water systems, latrines, sewers, and septic systems
Sociedad para el Desarrollo Integral del Nordeste (SODIN)	Water and Sanitation and Democratic Initiatives	Maria Trinidad Sanchez	Latrines, potable water wells
Catholic Relief Service (CRS)/Fundacion para la Salud y el Bienestar (FUSABI)	Sustainable Hillside Agriculture and Income Generation	Elias Pina, Bahoruco, Independencia, San Juan	Agriculture, pesticide use, soil management

2. ENTRENA's Role in Implementing Environmental Guidelines

ENTRENA is responsible for guiding and overseeing the project environmental review process and for training and providing guidance to participating NGOs in all aspects of the implementation of the environmental guidelines. The project employs two full-time technical staff with expertise in agronomy, pest/ pesticide management, and forestry and a part-time environmental specialist, whose availability to the project is averaging about three days per month. In addition, ENTRENA's director, who has a hydrology background, oversees the implementation of the environmental guidelines. The project staff does not include highly specialized professionals in any of the environmental, natural resources management, or environmental fields. However, Entrena's two agronomists have attended a one week training workshop in pest/pesticide management offered by the Panamerican Agricultural School in Panama.

In 1992, ENTRENA provided training to participating NGOs in the application of pertinent environmental guidelines, including water and sanitation and watershed management. These training activities were repeated twice as more NGOs applied for subproject grants. In 1995, JAD was contracted to provide pest/pesticide management training to participating NGOs.

ENTRENA staff visit each project at least once every second month to monitor compliance with environmental guidelines and provide guidance in their implementation. In addition, each NGO is subject to an environmental review by ENTRENA's environmental specialist every six months. To date, environmental reviews have been completed for the following NGOs: ADEPE, FIRENA, FUNDEJUR, SODIN, IDDI, and FUDECO. ENTRENA's implementation of environmental guideline compliance includes developing guidelines, fostering their understanding through training and technical assistance, encouraging participating NGOs to develop site-specific environmental profiles, and in overseeing compliance with project environmental requirements.

The NGOs perception of ENTRENA's environmental monitoring process was mixed. Some perceive it as useful, others as too intrusive and mechanical and, in some cases, underestimating the benefits of technical support. The latter could, in part, reflect the individual communication styles of Entrena staff and/or personal reactions of NGO staff interviewed.

3. Environmental Guideline Application

All NGO subprojects visited which had environmental components were applying pertinent elements of project environmental guidelines in implementing subproject activities. Activities and NGO capabilities related to environmental issues and the adoption of environmental guidelines for the five subprojects visited by the evaluation team are described below.

a. Fundacion de Recursos Naturales (FIRENA) II Subproject

The FIRENA II Project is implemented by the Pan American Development Foundation and the Asociacion para el Desarrollo de San Jose de Ocoa and provides assistance to 526 families who farm 393 hectares of irrigated land. As a result of land use mechanisms introduced by this project, hundreds of people who made a living by cutting trees for firewood and charcoal production are now full-time farmers. This projects' dual benefit includes both halting deforestation and improving the livelihood of families. FIRENA II supports 8-10 agriculture activities, and several irrigation activities are planned. FIRENA is required to prepare an environmental review for each activity. Seven reviews have been completed to date.

Potentially adverse environmental impacts associated with this subproject include those associated with irrigation, water management, soil conservation, expansion of agriculture, and pesticide use. Pesticide use was identified by FIRENA staff as the subproject's main environmental concern. There is no single individual responsible for overseeing environmental activities. This is a team effort. FIRENA supervises compliance with the environmental guidelines. Some 14 technical staff are assigned to the subproject, including four with expertise in watershed management, three in irrigation, and seven in soil conservation. Although pesticide use is a main environmental concern, there are no pest/pesticide management (PPM) specialists assigned to the subproject. Pesticide management activities are assigned to all staff, particularly the eight individuals who attended a one week PPM course presented by JAD.

FIRENA staff feel that additional training is needed in this area. Training and technology transfer for farmers is provided through practical workshops and field days, as well as through direct interactions with individual farmers. Farmers are organized into soil conservation brigades which operate under the project staff guidance.

b. Hermandad Integrated Community Development Subproject

Hermandad is a relatively small NGO which is constructing latrines and two irrigation systems that will supply water to over 62 hectares of farm land. Crops promoted include a wide variety of vegetables, tubers, cereals, and fruits. Latrine construction will be overseen by a civil engineer and a Peace Corps volunteer, both of whom will move to the community for two years. An agronomist will promote and guide the adoption of sustainable agriculture, organic gardens, and agroforestry practices. The subproject is also promoting the planting of neem and fruit trees as live fences and small plantations for watershed protection.

This NGO perceived the environmental guidelines as too generic to have ready practical use and the requirements for the development of site-specific environmental profiles too demanding for the NGO's limited resources. Nonetheless, the subproject does have a watershed management focus and its water/sanitation and agriculture and agroforestry activities are environmentally-sound and in compliance with project environmental requirements.

c. Asociacion Aguas Vivientes (AAVI) Water and Sanitation Subproject

Approximately 2,300 latrines will be constructed under this subproject. With a few minor modifications, latrine design and construction at this site follows project environmental guidelines. The VIP latrine model promoted under the subproject allows for lateral ventilation and is outfitted with a vertical ventilation tube connected to the pit and capped with a screen to allow trapped gasses to escape while preventing flies from entering and infesting the pit. To prevent ground water contamination, the subproject does exploratory digging to determine water table depth prior to the excavation of latrine pits. If no water is found within a 10 foot depth, the site is considered safe for latrine installation. If water is found above this depth, scaled dry latrines which have no contact with ground water when full must be installed instead.

This subproject recognized that the environmental guidelines were a useful tool that, when correctly applied, help eliminate major environmental problems associated with poorly-designed latrines. This includes contamination of ground/potable water, source of infestations of potentially disease-transmitting flies, and foul odors.

d. Asociacion para el Desarrollo Provincia Espillat (ADEPE) Agroforestry and Income Generation Subproject

This subproject is implemented in the Jamao River watershed, where extensive deforestation, slash and burn practices, inappropriate ranching practices, and gradual replacement of existing coffee plantations with short-cycle crops threatens the integrity of the watershed. Approximately 7,500 people inhabit the 247 square kilometers in this watershed, only 3% of which is under subproject management. The ADEPE subproject promotes watershed management and conservation through introduction of reforestation and agroforestry activities and sustainable agriculture practices.

In accordance with project environmental guidelines, two environmental profiles were prepared that describe physical, agroecological, and socioeconomic characteristics in the watershed, such as soil, agriculture, water and sanitation, health, housing, and income generation. Because of the blend of crops grown in this region, pesticide use does not seem to pose a significant environmental problem. ADEPE's seven agroforestry personnel include one individual trained by ENTRENA in pest/pesticide management and a second extensionist who seems to have a special interest in this area.

Main subproject activities having environmental implications include agroforestry, reforestation, coffee plantation management, soil conservation, and pest management. Species promoted include two fruit tree species, four species selected for wood production, and one species (neem) selected for its insecticidal properties. Species promoted for wood utilization were selected by beneficiary farmers for their rapid growth and potential uses. However, there farmers are concerned that there may not be a market for lumber when harvesting time arrives.

e. MUDE Water and Sanitation Subproject

MUDE is an NGO that encompasses about 250 women's organizations nationwide, each comprised of 20-30 women. MUDE activities also reach, directly or indirectly, the member's families. Under this subproject, 600 latrines and two potable water systems will be provided to participating communities outside La Vega. The need to bring water into the area arose about 17 years ago when it was noticed that familiar sources of water were drying up as a consequence of severe local deforestation. Plans began to crystalize upon contacting MUDE in 1993. Potable water systems will reach beneficiaries through seven spigots, which at most will be 200-500 meters away from users and located along accessible routes.

At present, some users must walk as much as 1.5 km over rough terrain to reach available water sources. Water system construction is supervised by a civil engineer. Latrines will be built following project environmental guidelines for latrine design and site selection. However, to exclude the possibility of contamination of potable water supplies with human waste, this activity will require frequent monitoring by ENTRENA until construction is completed.

Pesticide use does not constitute a problem in this area, as pesticides are perceived as both unnecessary and expensive for the kind of crops grown, such as coffee, which traditionally are not subject to the severity of pest attacks that affect other crops, such as vegetables.

f. CEBSE/CMC Management and Sustainable Use of Samana Bay Subproject

The CEBSE/CMC subproject in the Samana Bay does not fall under environmental guidelines requirements but was included in the review because it is the only subproject that has a direct environmental focus. The subproject aims at promoting a variety of conservation actions designed to create conditions suitable to enhancement of the ecotourism industry in the Samana Bay area. Through conservation and environmental awareness programs, training activities and short-term studies, CEBSE/CMC is promoting the adoption of sustainable agriculture and fishing practices, conservation of local flora and fauna, waste management, sanitation, and environmental mitigation in general, all of which have a strong community participation element.

CEBSE staff estimate that 7% of farmers use pesticides in the peninsula. Nevertheless the subproject promotes the adoption of sustainable pest management practices and will soon begin an IPM program for rice farmers, who are the major users of pesticides in the area.

4. Environmental Guideline Effectiveness

The perception of project environmental guideline effectiveness varies among NGOs. Most NGO leaders describe the process of following these guidelines as painful but useful in the long run, and equated it to a learning process that leads to heightened awareness of

environmental issues, better understanding of local ecosystems, and practical applications of preventive or corrective actions.

Qualified technical staff often assume the pivotal role in guideline implementation. This is particularly true in the case of "brown" environmental issues, such as water and sanitation, where civil engineers can have a key role. Main project environmental issues were those associated with potable water and sanitation, waste management, irrigation, intensified agriculture, pesticide use, expansion of agriculture, reforestation, and agroforestry. At the time of this evaluation there were no unexpected or unusual environmental concerns identified. Among the issues of greater concern identified were pesticide use in agricultural activities and the selection and marketing of tree species in agroforestry activities.

G. ADMINISTRATIVE ISSUES

This section provides findings on the performance of the project management unit and the institutional contractors, as well as the effectiveness of coordination of the PVO Co-Financing Project with the Technical Secretariat of the Presidency and other donors.

The scope of work (SOW) poses a delicate question in requesting assessment of the appropriate amount, kind and quality of technical assistance and training being provided to NGOs in terms of project design, implementation and institutional strengthening. The SOW also request assessment of adjustments that might be needed to better comply with the terms of reference and changing project conditions. An additional set of requirements in the SOW involves ascertaining if the contractors are performing satisfactorily, and reviewing the levels and effectiveness of coordination among the three contractor units. Finally, specific assessment of subproject monitoring is required.

The assessment starts with the Project Paper and Amendment No.1 of May 1994 as the basic project planning documents. Those documents are clear and precise regarding project administration but not specific in providing expected outcomes for 1) NGO institutional strengthening and 2) delivery services as dual project purposes. The documents provide only a few guidelines of how to achieve the expected outcomes. Technical analyses reviewed do not emphasize assessment of both NGO institutional strengthening and sustainability issues and the levels of outcomes desired for this project. There is emphasis on project procedures and administrative arrangements that overshadow project results.

The Project Paper contains specific and detailed requirements and responsibilities for the Project Management Unit, the PVO Support Unit, and the fiduciary agency. Strong emphasis is placed on administration and selection of NGOs as well as financial management. The roles and responsibilities for institutional contractors got transferred into their respective contracts. The PVO Support Unit staff requirements are spelled out in the Project Paper. This is similar for the fiduciary agent. All three institutional contractors have personnel, skills, roles, and responsibilities that are delineated in the Project Paper.

There are four phases described in the project implementation schedule: Project start up (12 months), interim phase (12 months), full level project implementation and operation (36 months), and phase down or redesign (24 months) for a total of seven years. This was revised in May 1994 to be 18 months, 18 months, 48 months, and 36 months (10 years) for the four phases. The project is in the second year of full project implementation as this mid-term evaluation takes place.

The Mission had the opportunity to rectify and clarify certain omissions in the Project Paper as it prepared Amendment No 1 in May 1994. The original Project Paper was modified only slightly to include more subproject grant funds and to extend the PACD. Certain modifications were made in grant selection procedures, eligible areas for financing, modified project policies and the updated implementation schedule. No modifications were made to improve the focus or obtain the results desired to fulfill the project purpose. In the project analysis section of the amendment, the leading statement is that "all of the various

project analyses described in the original Project Paper will remain valid except for the environmental analysis."

1. USAID/Dominican Republic

In 1989, the USAID/DR director and deputy director took an active role in shaping the PVO Co-Financing Project. They developed the so-called "one step behind" Mission strategy in which major administrative procedures for identifying, processing, and selecting subproject grants would be contracted out to a Dominican consulting firm and financial monitoring to a Dominican bank. The Mission Project Selection Committee would review and approve subproject concept papers, PIO/Ts, and grant applications.

Mission officials interviewed gave different points of view as to what the Mission wants from the PVO Co-Financing Project in terms of NGO institutional strengthening and service delivery. There is some debate still as to whether the project should emphasize institutional strengthening or service delivery. Another issue debated still is the level of "micro-managing" that the Mission should be involved with.

A majority of NGO leaders interviewed, many of whom have worked with the Mission for years, maintain the "one step behind" approach stated by the Mission is not working that way. They maintain the Mission intervenes directly in setting NGO selection and requirement criteria.

2. Project Management Unit

A US PSC heads up the Project Management Unit. He was contracted in 1990 shortly after the project began and fully one year before the PVO Support Unit was selected. He has been instrumental in setting up the selection criteria, project conceptual framework, terms of reference for the bid for contracting the PVO Support Unit, and almost all major coordinating activities representing USAID/DR. During his first year he visited potential NGOs and continues to do so. Today, he plays a role in project administration and monitoring the two institutional contractors.

The Project Management Unit functions well and in accordance to the focus and limitations described above. At the beginning there were delays in getting the project off the ground but and the project is now on target.

3. ENTRENA PVO Support Unit

ENTRENA, S.A., a Dominican consulting firm was selected in open competition to assist in project implementation as the PVO institutional contractor. ENTRENA reviews the concept papers, assists NGOs/PVOs in preparation of grant applications, monitors their implementation and provides technical assistance and training to strengthen participating PVOs.

ENTRENA submitted a team that emphasized those areas requested in the RFP. They won both technical and budgetary competition and were awarded the contract. From their point of view, they offered to the Mission what the Mission requested and have been a "loyal soldier" in carrying out what was stated in their contract.

NGO leaders interviewed gave ENTRENA high marks in 1) administration of the project; 2) assistance in pre-award surveys and project preparation; 3) auditing and financial assistance; 4) fairness in treatment of NGO staff; and, 5) general interest in the NGOs themselves. There has been high praise of ENTRENA for their work to date.

A few NGO leaders interviewed felt ENTRENA could improve somewhat their performance in 1) monitoring project delivery results; 2) assisting NGOs in planning; 3) providing technical assistance in community development; 4) providing technical assistance in service delivery and extension; and 5) assisting in institutional strengthening. A few NGO leaders interviewed believe that ENTRENA could play a stronger partnership role in their relationship with the NGOs. In general, however, ENTRENA staff received very high marks in all performance activities.

Mission officers interviewed give ENTRENA high marks for performance. One or two reservations were recorded regarding their technical assistance and training efforts. ENTRENA is performing very well after four years of project implementation. Weaknesses and emphasis detected would be areas for change if the Mission were inclined to make modifications in the project design and ENTRENA's contract.

4. Banco Dominicano de Desarrollo

The Banco Dominicano de Desarrollo (BDD) won a bid and has been contracted by USAID/DR to act as fiduciary agent to disburse funds to the NGOs (not US PVOs), liquidate advances, monitor expenditures and submit monthly vouchers to USAID which consolidate all of the subgrant vouchers into one single voucher and report. BDD is audited by Cooper and Lyband. BDD is supervised by the Mission Controller's Office. This arrangement has kept both ENTRENA and the Mission from processing vouchers.

A majority of NGO leaders interviewed have had some kind of adjustment to make with BDD. Three regular problems have occurred. First, BDD requires that NGOs submit monthly vouchers with original receipts by the 15th of each month. Second, any errors made by NGOs must be corrected and then the voucher gets delayed by one month. Third, NGOs must project 90 day expenditures and if miscalculated advance funds are not available. All NGO staff interviewed has had problems with at least one of these issues. These problems diminish after about 4-6 monthly submissions.

NGO leaders state that BDD has become the "silent partner" in this project with perceived power and little perceived control of its operation. Every NGO leader interviewed had negative comments about BDD for one reason or another. Over half the NGOs have experienced from one to six months delays in getting reimbursed. NGO leaders admit that some problems are created by the NGOs themselves and that it is a learning process for them

to understand what BDD needs in each voucher. They admit that after a six month period most problems with BDD tend to disappear or at least decrease considerably.

The Mission Controller's Office is pleased with BDDs' performance and believes that BDD acts in accordance to their contract. They are pleased to have this contract procedure with BDD.

5. Secretariat Technical of the Presidency (STP)

The Technical Secretariat of the Presidency (STP) represents the Government of the Dominican Republic (GODR) participation in this project. STP approves local currency in trust to USAID and approves subproject grants by signing grant agreements and by assigning PL 480 funds as the GODRs' counterpart funds. Many subproject grants have both USAID and STP counterpart funding in pesos. A few smaller projects have exclusive counterpart funding. The STP coordinator serves on the Subproject grant selection committee.

STP states playing an "observer" and a "passive" role in project discussion and approvals. They are in favor of the project and are impressed with results to date.

6. Internal and External Coordination

No coordination problems among institutional contractors were found. Interviewed separately, these institutions claim good to excellent working relationship with high degrees of mutual respect.

7. Project Monitoring and Evaluation

ENTRENA has devised a monitoring system that emphasizes field visits and direct observation. A standard monitoring form is used. The form is good for collecting common information on all subprojects and for identifying problems early on. ENTRENA staff file monitoring reports back in the office and these are transmitted to the NGO directors for feedback and follow-up.

The monitoring system describes project progress and is useful in detecting implementation problems early on. The monitoring system does not have a way to check if the activities are producing results. In reviewing a great number of ENTRENA project monitoring reports, the evaluation team found them to be of above average to good quality for describing project implementation issues, detecting problems, and recommending corrective actions.

ENTRENA has had six midterm subproject evaluations. These are funded from subproject grants. ENTRENA is also implementing participatory evaluations administered by each NGO.

H. CONCLUSIONS

AID-funded PVO Co-Financing Projects are implemented worldwide and in at least seven Latin American countries. They differ in scope, focus, and strategy depending on USAID Mission strategic objectives, country needs, NGO levels of development, and other individual country assessments. A three column NGO/PVO Development Model is proposed here to conceptualize the strategy options available for designing a PVO support project and then make conclusions regarding the project in the Dominican Republic. The model shows that NGO strengthening and service delivery projects normally have three components I: NGO Internal Strengthening; II: Institutional Sustainability; and, III: NGO Service Delivery. Some example characteristics of each category are:

TABLE H-1: NGO/PVO Development Model

I. INTERNAL STRENGTHENING	II. INSTITUTIONAL SUSTAINABILITY	III. SERVICE DELIVERY
Project preparation	Income generation	Methods and techniques
Financial Administration	Endowments	Result-oriented delivery
Management	Overhead	Planned activities
Auditing	Sale services	Training
Activity planning	Other donor financing	Technical assistance
Monitoring and Evaluation	Membership fees	Extension
Budgeting	Joint ventures	Production
Staff development		Appropriate technology

A complete developmental model would have development indicators for the three components. The evaluation team has observed, evaluated, or studied PVO co-financing projects worldwide that emphasize all three components, one component only, or a combination of two components.

The PVO Co-Financing Project in the Dominican Republic has stressed the dual project purposes of NGO internal strengthening to carry out service delivery. Institutional sustainability has not had much emphasis in this project. This was the original design and has continued during the past five years. There has been good strategic planning and execution of NGO institutional strengthening activities. There has been less of a focus upon service delivery.

In general, the questions asked in the scope of work were most concerned with NGO internal strengthening. Assessing those questions leads to general positive findings that in turn lead to the overall conclusion that the PVO Co-Financing Project is performing well at this mid-term evaluation. The project is in accordance with the Project Paper, contractor roles and responsibilities, and Mission guidelines.

Visualizing the three components, efforts during the first five years have emphasized working in the first category in setting forth identification, processing, and selecting NGOs to carry out subproject grants. Strong strategically planned project activities have assisted NGOs

to design projects and handle subproject grants better. Some piecemeal project activities have supported some limited and unplanned carryover effects as NGOs strive for institutional sustainability in the second component. Project training and technical assistance activities have assisted NGOs somewhat in increasing their service delivery effectiveness.

A principal hypothesis of the project paper is that NGOs are strengthened implicitly by doing service delivery with subproject grants using project-funded professionals and technicians as well as additional equipment. NGOs in turn provide delivery service to community organizations who increase democratic initiatives, are internally strengthened and become more institutional sustainability. This approach is partially fallacious because a good deal of the NGOs use inefficient and ineffective service delivery systems and it is doubtful that communities themselves will be strengthened to carry out community-based project activities once the Co-Financing Project terminates.

The project is performing well according to the original design at mid-term but falls short of its full potential. A $22.0 million NGO project can have a resonating effect within the Dominican Republic and should enhance the NGO movement in the country. Recommendations will be made that could assist in achieving this full potential. Conclusions for individual technical sections follow.

Project Design and Deliverables. The analysis of findings concludes that the project has a broad-based approach to permit maximum flexibility to include a wide variety of subprojects within the general Mission strategic objective framework. Project indicators are weak and therefore it is practically impossible to assess or conclude if the project is reaching planned outputs or supporting changing Mission objectives. Although half the original project assumptions are incorrect none of those inaccurate assumptions has affected the project negatively. There are no findings to show strategic planning by the contractors nor the Mission to collect data on purpose level objectives, outputs, nor a strategy for technical assistance training interventions. These limitations mean that the project may not be functioning in the most effective and efficient manner.

Project Procedures and Criteria. The assessment of findings is positive regarding project preparations, subproject grant applications, and grantee administration of their individual subprojects. Some delays and time consuming procedures were detected in processing grant applications and likewise in NGO subproject implementation but in general these procedures work well. All institutional contractors and the Mission are aware of the time consuming procedures and are themselves streamlining and reengineering them. Subproject implementation delays and problems are minimal and are of little concern to project implementation.

Institutional Strengthening. At this half-way point in the PVO Co-Financing project, progress towards sustainability of organizations and service delivery systems is limited. Even so, the vast majority of NGOs a) receive resources from other donors, b) are actively pursuing new prospects, and c) will outlive the project in some form or another. In addition, ENTRENA, through project criteria, pre-award surveys, and proposal preparation processes has caused dramatic improvements for most NGOs in their ability to prepare proposals, manage funds,

and presumably to attract new donors. More worrisome than sustainability of the NGOs proper is the sustainability of service delivery systems supported by NGOs under the Co-Financing project. The point is that service delivery mechanisms created, expanded or improved under the project are more vulnerable in relative terms than are the NGOs proper, and that the sustainability of NGOs is closely linked to their ability to create delivery systems which sustain themselves.

In spite of the efforts at sustainable service delivery by the NGOs the vast majority of service delivery systems will weaken after the project, and in some instances disappear, unless there is concentrated and concrete attention to the sustainability of the systems. Reasons for the apparent long and even medium-term vulnerability of the service delivery systems are 1) cost coverage, 2) dependence on NGO technical assistance which may disappear at the end of the project, 3) possible abandonment by the sponsoring NGO due to interest of donors in new projects rather than sustaining old ones, and 4) lack of explicit attention, through workshops and technical assistance, to sustainable service delivery systems.

Democratic Initiatives. There is a democratic process at work, invisible for many, including some NGOs officers, but very evident for the actors in the communities. Many NGO officers, and some ENTRENA staff, seem to hold a pessimistic view of the possibility of producing changes in the traditional authoritarian/autocratic Dominican mentality. Yet, the actors in the communities are already experiencing those changes and are willing to live with them and preserve the new traditions being developed.

Most communities had some sort of democratic experience before the project. For many actors the novelty of the project resides more in the methods for organizing community participation than in the principles and practices of representation. Most actors had already participated in elections, local and national, and were familiar with the basic notions of political delegation.

NGOs do not conceptualize democratic initiatives in a similar manner. In fact, there is a great diversity of definitions and conceptions at work within the project. NGOs do not place equal emphasis on promoting democratic values and practices, although much training is focuses on democratization of the community organizations.

Environmental Issues. The PVO Co-Financing Project is effectively satisfying USAID requirements for environmental procedures (22 CFR 216). Some subproject activities have a decidedly environmental focus. However, if this project is to have a major role in the implementation of any Mission strategic objective having environmental implications, the project would probably not meet the Mission's strategic requirements without some modification. Project environmental guidelines are being used at the subproject design stage and have elicited site-specific environmental profiles and reviews. NGO leaders understand and put into practice project environmental guidelines even though they sometimes are initially perceived as an imposition. Adoption of environmental procedures as part of NGOs' internal policies, although a desirable goal, will not be achieved as readily and will require further support and encouragement. Environmental guidelines are regularly used as a tool to help assure environmental soundness during project implementation. However, site-specific

profiles and guidelines developed as part of the requirements of the project environmental review process become more useful than the original, more generic, guidelines.

Project Administration. Positive findings lead to the positive conclusion that all three institutional units (Project Management Unit, ENTRENA, Banco Dominicano de Desarrollo) function well within the context of their specific and limited contracts. Coordination among them and with other donors is good. All three implementing institutions fulfill their contracts well by concentrating a good deal on procedures and project administration. No personnel changes are required. If the Mission were to make significant changes in the project's direction then at least one additional ENTRENA institutional strengthening staff member would be required.

I. RECOMMENDATIONS

This section provides both general and specific recommendations that could be considered in making mid-term project adjustments. General recommendations are made that emerge from the findings and conclusions and are cross-cutting at the project level. More specific recommendations are made in the six technical findings sections.

GENERAL

1. Strategic Planning for Project Effectiveness

Project team members should develop a project strategic plan for the rest of the project period. This plan is critical in formulating specific project goal, purpose, and result indicators. It should have the same level of specificity for technical assistance and training strategies as now exists for internal strengthening. These strategies should focus upon increasing effective and efficient institutional sustainability and increasing effective and efficient delivery services by subproject grantees to beneficiaries.

This strategic plan should contain many features of the present design but should have new elements. A new strategy takes into account the fact that the 35 subproject grant applications are on their way towards fruition. The project is entering a new phase and should now be revised with a shift away from emphasis on internal strengthening and towards institutional strengthening for institutional sustainability and service delivery. This new framework seeks a balance between the three elements of an institutional strengthening strategy. The strategy would conceptually define institutional strengthening and provide hypotheses for the revised project design.

2. Delivery Service Institutional Strengthening Focus

Most of the USAID-Dominican Republic portfolio makes use of NGO-based service delivery mechanisms. Therefore the sustainability of NGOs and NGO-based service delivery mechanisms is an important issue for USAID-Dominican Republic as a whole, and extends far beyond the PVO Co-financing project. There are 4 years left in the project. It is not too late to design and implement a focused sustainability strategy, with or without additional resources. The PVO Co-financing project should be considered a laboratory for developing NGO-based sustainability approaches on behalf of the whole Mission. It is important to recognize that the sustainability of NGOs and the sustainability of delivery systems are separable, and that emphasis should be placed on sustainability of service delivery systems as a way to strengthen the systems and the Dominican NGO movement as a whole.

In the following paragraphs, a plan of action specifically aimed at achieving sustainability for service delivery systems supported by the Co-Financing project is presented. An action plan for achieving sustainable service delivery systems and NGOs should include the following:

- Analyze and re-design the ENTRENA contract and the scopes of work of individual ENTRENA personnel in light of a) the end of massive attention to selection of NGOs and subprojects, and supervision of proposal preparation; and b) an emphasis on sustainable service delivery systems and NGO's ability to create, expand, and replicate these systems.

- In full collaboration with the NGOs supported by the project (perhaps through workshops), do periodic inventories and analysis of the sustainability of service delivery systems showing both community participation and financial aspects of the systems (the tables in Section D of this evaluation report are a first step toward the above inventories). Community participation includes: a) dependence on NGO technical assistance over the short, medium, and long term; and, b) centralization, to the extent committees are really fiefdoms of powerful individuals. Financial aspects include the economic performance and distribution of proceeds for endowments, fee for service arrangements, rolling funds, resource banks and non-monetary contributions from communities.

- On the basis of the inventories, classify service delivery systems based upon whether they can and should aspire to a) mere survival; b) mere coverage of maintenance costs; c) coverage of maintenance costs plus costs for education, extension, and promotion; d) coverage all the above plus repayment of the infrastructure investment; or, e) expansion, which means coverage of all the above costs, plus an excess. The analysis will produce very different results depending on the service delivered (health, income generation, or reforestation, etc.).

- On the basis of the inventories and analysis, design a sustainability plan for each service delivery system, and arrive at general sustainability principals, either global or by sector (type of service delivered). In some cases sustainability of a service delivery system may mean weaning the system from a Dominican NGO. Dependence of communities on Dominican NGOs may be as risky and unhealthy as dependence of Dominican NGOs on USAID/DR. There will undoubtedly be a group of service delivery systems with little hope of sustaining themselves without outside help. In these cases a policy or set of policies would be needed for dealing with permanent subsidy issues.

- Prepare a menu of income mechanisms and sources, subsidized as well as non subsidized, from which NGOs can chose.

- Establish a donor and new project data base. Spin-offs to other parts of the AID portfolio are possibilities, and the BID-Government of Dominican Republic Pro-Communidad project should be included.

3. Institutional Sustainability Focus

Within this strategic context, the proposed shift would take on a more concerted institutional strengthening focus. Roughly 45 NGOs covered in the present PVO Co-

Financing Project, and perhaps another 20 NGOs in other USAID/DR financed projects in the Dominican Republic would be assisted in becoming sustainable beyond the project period. Full development of the institutional strengthening focus goes beyond the scope of work of this mid-term evaluation. Many good ideas were presented to the evaluation team that should be considered in formulating this institutional strengthening focus. They include:

- A action strategy for institutional sustainability based on three levels (mature, middle, immature) of NGO development to let NGOs become more mature institutions. This strategy would have specific training and technical assistance guidelines that would be sequential and developmental.

- Support where possible NGO representative associations that emanate from the NGOs themselves such as CONASUMI and UNIDOS. Institutional strengthening funds could be channeled through these associations to foster NGO specialization in specific areas of operation.

- Certification of NGOs so that other donors are aware that the NGOs have gone through a rigorous internal strengthening sponsored by USAID/DR.

- A special fund for specific technical assistance and specific project interventions to meet individual NGO's was needs. The Project Paper includes this concept but it has been used differently than conceived. NGOs could apply for a specific institutional strengthening grant of up to $10,000, with minimal processing, for a specific NGO need that would increase the NGO's sustainability.

- Promote overall NGO sustainability by enhancing the public profiles of NGOs by the publication of an NGO directory, systematization of NGO experiences in service delivery, development of public awareness of the NGO movement in the Dominican Republic, and other similar activities that would help the NGO movement in the country.

- Support sustainability and self-financing activities of the NGOs. This could include endowments, joint ventures, and income generating ventures. Support fiscal reform and tax deductions that would favor NGOs.

- Targeted actions for strengthening and moving NGOs to higher levels of sustainability and self-financing. The strategy developed would include guidelines and tactics for diversifying funding of NGOs.

- Assist in revising and promulgating laws favorable to the NGO movement in the Dominican Republic and enhance the legal status of the NGOs.

- Set targets for assisting NGOs in obtaining national funding through sources such as Pro-Communidad and the Presidential Discretionary Fund.

- Establish data banks for tapping into national and international resources.

- Provide scholarships or masters-level training for NGO specialists in community development, extension, community planning, and other similar courses that would strengthen NGO personnel and enhance the professionalism of NGO service delivery.

- NGO volunteer internships and activities with university and high school students could be supported. Qualified students with defined skill levels and areas could carry out internships with NGO projects and receive university credit.

- Compile studies of lessons learned, and effective extension techniques that could assist NGOs to increase their extension effectiveness. Disseminate these documents among the NGO community.

- Provide to NGOs information for making appropriate technology decisions in the field and means for performing appropriate cost benefit analysis.

4. Democratic Initiatives Sustainability Focus

This project should take a stronger and better focused approach to supporting democratic initiatives by the NGOs at the community level. By no means should the project compete with other USAID/DR Mission funded democratic initiatives project nor should there be sub-grants provided only for enhancing democratic initiatives. Rather, more sustained efforts should be made within the 35 subproject grants and the communities with whom the NGOs work to increase community participation in development projects so that ultimately the communities themselves become sustainable.

A democratic initiative strategy for this project would takes careful strategic planning. A few ideas are presented as targets that this focus would attempt to achieve as results:

- Increased community planning so that urban and rural communities can continue their development when the NGOs leave.

- Increased community capability to make technological, economic, and social assessments at the community level.

- Increased levels of empowerment for obtaining government-funded service delivery such as feeder roads, electricity, water systems, health clinics, and schools.

- Increased community action to achieve greater access to basic education.

- Increased community-level agricultural and non-agricultural production, employment generation, and income levels through concerted microenterprise efforts in rural areas.

Once a strategy is formulated, subproject grants could be modified to include activities to achieve these results.

ENTRENA and USAID/DR should make efforts to:

- Provide additional education and training to prepare leaders for long-term community planning.

- Promote the notion, among NGOs and target communities, of the importance of commitment to long term community development.

- Hold new courses, workshops, discussion sessions, and/or seminars for NGOs officers. These sessions would focus on the origins and development of democratic ideas, practices and values, together with techniques for promoting democratic initiatives within subprojects.

- Disseminate the idea among NGOs that democratic initiatives are a substantial component of the Project, and that human development is incomplete without democratic development.

5. Environmental Focus

Some sort of unifying environmental focus would need to be introduced into the project design to provide coherence to participating NGOs and subprojects. Through surveys or a participative workshop, training and technical assistance needs in relevant environmental areas could be identified for participating NGOs. On the basis of such assessments the necessary specialized short term training could be provided using, to the extent possible local expertise. Example of such specialized areas are integrated pest management (IPM), agroforestry, soil conservation, and water management.

6. Logical Framework and Project Amendment

Once the above general strategies are in place with the new focus accepted, the institutional contractors need to design and write a new logical framework for the next four years. It should start with the project purpose and indicators, project goal and indicators, and then proceed to define outputs and their respective indicators. Project activities must be designed to produce new and revitalized outputs. The project requires refinement and adaptation to maintain internal consistency.

Once this four year strategic plan is devised, ENTRENA and the Project Management Unit should write annual operational plans based on the strategic plan. Finally, a new project amendment should be written that reflects changes in budgets and implementation.

SPECIFIC RECOMMENDATIONS

What follows are specific recommendations which could be implemented with minimal effort. They are presented for each technical section.

Project Deliverables

1. Establish indicators that can be verified at all levels. Plan how those indicators are going to be measured.

2. Re-write the assumptions that have turned out to be erroneous.

3. Make sure that baseline studies of individual subprojects use uniform criteria and data. This will make it possible to gather information across projects and will also be helpful in assessing subprojects in mid-term evaluations.

4. Make a special effort to have NGOs focus upon gender issues.

Procedures and Criteria

1. Declare a moratorium on making further changes in identification, processing, and selection procedures and criteria. Unobtrusively streamline procedures, as planned by the Mission reengineering committee effort. Set a target to reduce the time from concept paper approval to grant signing to six months.

2. Rescind the new criteria related to a) vehicles and b) the percentage of project personnel covered by the subproject grants. Subprojects should be reviewed on case-by-case basis to determine appropriate activities and respective costs to achieve subproject outputs. Global criteria may be inappropriate for specific subproject grants.

3. NGOs should state more clearly the total subproject costs/expenditures, including other donor support.

4. During project preparation, increase technical analysis, including descriptions of service delivery and extension methodologies, to make sure that methodologies are the most effective and efficient possible. Analyze more thoroughly the communities participation in projects.

5. In project preparation, analyze more thoroughly the technology proposed by NGOs (hand pumps versus village water systems).

6. Publish the subproject grant agreements in both English and Spanish. Fine tune NGO proposals in Spanish and then translate them into English.

Institutional Strengthening

1. Hire an institutional strengthening specialist with an academic background and experience in community development, small business finances and economics.

2. Prepare a roster of professionals and technicians hired by project NGOs, and analyze the likelihood that they will remain after the project.

Democratic Initiatives

1. Write indicators that could be used to measure the progress of democratic initiative activities.

Environment

1. Lower expectations concerning the rate of adoption of environmentally-sound practices during the early stages of project implementation. Recognize that adoption rates vary with factors such as complexity, familiarity of introduced practices and the degree of effort invested in promotion.

2. Each participating NGO involved in agricultural production activities should assign pest/pesticide management responsibilities to one individual. These individuals should be selected for their interest and experience in pest/pesticide management and motivation for assuming leadership in these areas. If necessary, these individuals should be trained in crop-specific IPM and pesticide management to enhance their expertise. These IPM paratechnicians should be responsible for providing training, technical assistance, and general guidance in all aspects of pest/pesticide management to farmers and fellow extensionists. In addition, they should function as the NGO's IPM specialists and should be responsible for creating linkages with other individuals and organizations having IPM expertise in the Dominican Republic. They should also be responsible for assembling useful training and extension materials, such as field guides, posters, and brochures in relevant topics.

3. To the extent possible, tap the widely recognized expertise of the Junta Agroempresarial Dominicana (JAD)'s IPM team.

4. In addition to their monitoring responsibilities, ENTRENA's technical staff should become more directly involved in training and technical assistance activities. This would maintain and enhance their collaborative role in the implementation of subproject activities.

Administration

1. The PSC Project Management Unit should have an annual action plan that demonstrates how the unit supports the project strategic plan. The unit should take a more active role in strategic planning and NGO institutional strengthening.

2. ENTRENA should have specific action plans for institutional strengthening in 1) NGO institutional sustainability and 2) NGO service delivery strengthening. Specific training and technical assistance plans for each NGO should be made. ENTRENA staff should adhere to these plans.

3. ENTRENA should hire an institutional strengthening specialist in the area of institutional sustainability and service delivery. This person should work in collaboration with the PSC Project Management Unit.

4. Project monitoring priorities should reflect changes made in strategic planning in which there is more emphasis on 1) output indicators, 2) NGO institutional sustainability, and 3) NGO service delivery extension. Monitoring formats should reflect these shifts in emphasis.

5. The USAID Controllers Office should instruct BDD to be as flexible as possible in receiving and processing vouchers throughout the month. To avoid delays NGO vouchers submitted with problems should be revised and processed immediately. Reimbursements should be handled promptly and there should be a mechanism to provide funds to NGOs when work stoppages are caused by lack of funds.

ANNEX A: SCOPE OF WORK

I. OBJECTIVE

The objective of this consultancy is to conduct a midterm evaluation of the USAID/DR, PVO Co-Financing Project, #517-0247 in order to determine the following:

a. Actual versus planned progress toward achieving the purpose and outputs of the Project (as amended in May, 1994), identify problems and delays and recommend solutions.

b. Appropriateness of established procedures and criteria for selecting subprojects and awarding grants to PVOs/NGOs.

c. Performance of the two institutional contractors and the Project Management Unit to determine if any adjustments should be made in team composition, duties and level of effort.

d. Measure being taken to promote sustainability of subprojects and PVOs/NGOs.

e. Effectiveness of the use of environmental guidelines by PVO/NGOs to develop and implement environmentally sound projects.

f. The extent in which democratic values are being promoted by the PVO Co-Financing Project and PVO/NGO grantees.

g. Lessons learned.

h. Effectiveness of coordination with other donors.

i. Validity of original assumptions and how they have and will continue to affect Project Implementation.

j. Adequacy of current progress and impact indicators given new mission objectives.

The findings of the evaluation and recommendations by the evaluators will be taken into consideration in order to correct any deficiencies found in the grant selection procedures and criteria, contractor performance and provision of services to Gauss; to determine future levels of effort for contractors; and to establish more realistic progress and impact indicators for the Project given the updated Mission objectives and the impact of project assumptions

II. SCOPE OF WORK

An evaluation team, consisting of specialists dealing with the various areas listed above, will conduct the evaluation and respond, in a written report, to all of the points and questions included in the following scope of work:

A. Review actual versus planned progress toward achieving the purpose and outputs of the Project (as amended in 1994), identify problems and delays, recommend solutions and answer the following questions:

1. To what extent have NGOs been strengthened under their capacity to deliver services to the poor been improved under the Project? Determine the numbers and funds NGO strengthen.

2. To what extent has the Project improved accountability (project administration, financial management), and design standards of USAID supported projects? Are Grant Applications complete?

3. Determine the number of people directly and indirectly benefitting under the project. Is the Project reaching the desired USAID target groups? How is the Project benefitting women?

4. How well do the grants approved respond to the current Mission strategic objectives?

5. To what extent have actual and perceived USAID links to low income groups and the NGO community improved?

6. Review the overall pace of grant awards and analyze the causes for delays and solutions implemented to overcome those delays. What further measures, if any, are recommended in order for the PVO Co-Financing Project to reach its original target of 35 subgrants approved?

7. To what extent is subproject selection driven by NGO and beneficiary demand as opposed to USAID and Project Management? Analyze the overall existing demand for project funds versus the available supply.

8. Has the Project financed an appropriate mix of projects in terms of Strategic Objectives and National coverage?

9. To what extent is the project addressing the critical needs of the poor, especially those that are geographically and economically isolated?

10. Are direct USAID grants awarded to many individual NGOs the best alternative for project implementation in terms of Mission objectives, cost

effectiveness and the actual situation regarding umbrella groups in the Dominican Republic?

B. Review the established procedures for selecting subprojects and awarding grants to NGOs to determine if any modifications should be made.

1. Are current criteria responsive to the current Mission objectives?

2. Are the current selection mechanisms and criteria most appropriate for achieving the desired project objectives in terms of types and numbers of subprojects and institutional strengthening of NGOs? What are recommendations for improvement.

3. Will the PVO Co-Financing Project be able to accomplish its objectives under the current selection procedures? Is there a more cost effective, way without scarifying quality, to maintain adequate USAID oversight and promote actual and perceived USAID links to the NGO community and the poor?

4. Analyze the ability of NGOs to comply with Project requirements in terms of subproject design and implementation. Are we expecting too much or not enough and are the appropriate levels of assistance being provided to NGOs.

5. What should be the appropriate levels of USAID and GODR intervention in the selection process?

6. To what extent are the project selection criteria and grant award procedures applied consistently and fairly without political or other motives? What is the NGO perception in this regard?

7. Describe the effect of the following new criteria on the NGOs and overall Project success:
   - No vehicles can be procured with USAID funds;
   - No credit programs will be financed under this project;
   - NGO grantees must cover 50% of the cost of project personnel;
   - Beneficiary contributions may not be counted as part of the NGO grantee contribution in order to reach the required 25% minimum counterpart contribution; and,
   - An NGO cannot receive grant funds in annual amounts greater than double their average annual income over the previous three years.

8. Is the Subproject Selection Committee adequately formulated? Recommend appropriate alternatives.

9. To what extent are innovative development ideas and new appropriate technologies being encouraged and financed under the Project? How can this be improved?

C. Review the role and performance of the two institutional contractors and the PSC Project Manager to determine the following:

1. Is the appropriate amount, kind and quality of technical assistance and training being provided to NGOs in term of project design, implementation and institutional strengthening?

2. Are contractors (ENTRENA, Banco de Desarrollo Dominicano and the PSC Project Manager) satisfactorily performing their duties as stipulated in their contracts?

3. Should any adjustments be made in team composition to better comply with terms of reference and changing project conditions?

4. Recommend levels of assistance desired from the three project contract units to successfully implement the remaining life of the Project (Fiduciary, Technical Assistance, Training, Management).

5. Review the levels and effectiveness of coordination between the three contractor units.

6. How effective has subproject monitoring been at identifying implementation problems early and recommending appropriate solutions?

7. Has an adequate cash flow been maintained to grantees?

D. Evaluate the steps being taken to promote sustainability of subprojects and NGOs. Have they been effective and are there any recommendations to improve financial, administrative and technical sustainability of projects and the NGOs implementing them?

1. What degree of community participation is being achieve in design and implementation of NGO projects? Are the beneficiaries contributing sufficient counterpart funds to sense ownership for project activities?

2. How effective and useful have the Pre-award Surveys been to NGOs?

3. What new measures are participating NGOs taking to improve their own financial sustainability as a result of efforts under the PVO Co-Financing Project?

4. To what extent had the TA and training offered under the project to NGOs been helpful to NGOs and what other kinds of TA and training are desired?

5. Are NGOs given ample scope for independence in the design of their own subprojects? To what extent are NGOs and beneficiaries identified into their own projects and share the cost?

E. Evaluate the effectiveness of using environmental guidelines developed under the project and provided to potential grantees to assure that subprojects are being designed and implemented in an environmentally sound manner.

1. To what extent are NGOs using the guidelines to design/help design their projects in order to minimize and/or mitigate environmental consequences due to project activities?

2. To what extent are NGOs using the environmental guidelines as a tool to help ensure environmental soundness during implementation?

3. Are NGO personnel able to understand how to incorporate and apply the environmental guidelines?

F. Review the manner in which democratic values are being promoted by the PVO Co-Financing Projects and the PVO/NGO Grantees.

1. To what extent are citizens affected by the project participating in their own development and decision making process?

2. Describe measures being taken by NGOs to incorporate democratic values and practices into their methods of operating.

3. How effective is the PVO Co-Financing Project in general and the subprojects financed under the Project at promoting increased awareness of the benefits of participatory democracy?

G. What lessons have been learned to date regarding the philosophy, strategy and methodology used under the PVO Co-Financing Project, that can be applied to other USAID financed NGO projects?

H. Review the levels and effectiveness of Project coordination with other donors including the Peace Corps.

I. Examine assumptions made during design of the Project to determine whether they are still valid, how they have affected the Project and how they may affect the project in the future. Assumptions that are to be analyzed at purpose and output levels are listed below:

(1) NGOs are capable of absorbing additional USAID funds;
(2) The GODR continues to support the NGO movement;
(3) Sufficient NGOs have the management capacity to take advantage of the PVO Project mechanism;
(4) The NGOs relate well to the contractors (ENTRENA and BDD);
(5) NGOs have sufficient resources to provide the required counterpart contributions; and,

(6) Larger, more establishes NGOs are willing to assist smaller NGOs with project preparation and administration.

J. Examine Project progress and impact indicators to determine if they are still appropriate given the changes made on the Project and the new Mission Objectives. Recommend additional indicative of the results that the mission desires to achieve with the project.

ANNEX B: SURVEY INSTRUMENT

This instrument was used as a guide by team members in formulating their questions for key informants. Team members recorded their responses using this guide but formulated their own questions. More specific questions were asked by team members in charge of specific parts of the evaluation.

A. General

1.1 Institution
1.2 Location
1.3 Project
1.4 Grant Amount
1.5 Counterpart Amount
1.6 Trust Fund
1.7 Date Signed
1.8 Duration/Life of Project
1.9 Address, telephone, directors NGO

B. Overview of Project Deliveries

2.1 Goal
2.2 Purpose
2.3 Result
2.4 Activities
2.5 Indicators
2.6 Changes/amendments to award/grant/indicators
2.7 No. Beneficiaries 1) direct; 2) indirect
2.8 Completion of activity indicators: 1) proposed; 2) actual to date
2.9 Completion of output indicators: 1)proposed; 2) actual to date
2.10 Completion of purpose: 1) proposed; 2) actual to date
2.11 Benefits to Women
2.12 Relationship project to USAID targets
2.13 Validity of original assumptions and how affected project design and implementation
2.14 Examination of assumptions:
1) NGOs capable of absorbing additional USAID funds
2) GODR continues to support the NGO movement
3) Sufficient NGOs have management capacity to take advantage of the PVO project mechanism;
4) NGOs relate well with ENTRENA and BDD;
5) NGOs have sufficient resources to provide counterpart contributions; and
6) Larger, more established NGOs willing to assist smaller ones with project preparation and administration

C. Procedures and Criteria

3.1 Appropriateness of selection criteria
3.2 Consistency of selection. NGO perception of fairness
3.3 Issues related to new criteria: 1) No vehicles; 2) No credit; 3) 50% of project personnel covered by NGO; 4) 25% minimum NGO support; 5) grant amount percentage of total project portfolio
3.4 Ability of NGOs to comply with project requirements for design and implementation
3.5 Role of subproject selection committee
3.6 Selection process for subprojects
3.7 Appropriate level of USAID and GODR intervention in selection process. Time and effort for this process
3.8 Awarding of grants. Pace of grant awards
3.9 Extent PVO project has improved accountability (project administration, financial management) and design for USAID supported projects
3.10 Effectiveness and usefulness of pre-award surveys for NGOs/PVOs

D. Institutional Strengthening

4.1 Degree of independence of NGOs to design own subprojects
4.2 Activities to promote sustainability of subprojects
4.3 Activities to promote sustainability of NGOs/PVOs. Extent, effectiveness of TA and training. New areas required
4.4 Community participation in design and implementation of NGO projects
4.5 "Ownership" by NGO and beneficiaries of project activities
4.6 Effectiveness and extent of NGO strengthening and improvement in their capacity to deliver services to the poor improved (financial, administrative, technical)
4.7 Numbers and kinds of NGOs strengthened
4.8 Sustainability efforts of subprojects
4.9 Sustainability efforts of NGOs and PVOs
4.10 Financial sustainability of NGOs attributed to PVO co-financing project
4.11 Levels of assistance provided for project preparation
4.12 Adequacy of procedures for selecting subprojects
4.13 Degree to which grant applications are more complete
4.14 Technical assistance and training provided (amount, kind, quality for design, implementation and institutional strengthening)

E. Democratic Initiatives

5.1 Democratic values being promoted by the PVO Project
5.2 Democratic values promoted by the subproject grantees
5.3 Citizens affected by project in terms of 1) participating in their own development; 2) decision making

5.4 Incorporation by NGOs of democratic values and practices in their methods of operation
5.5 Effectiveness of promoting increased awareness of the benefits of participatory democracy

F. Environmental Issues

6.1 Effectiveness of NGO use of environmental guidelines
6.2 Procedures for implementing environmental guidelines. Extent NGOs using guidelines
6.3 NGO capability to understand, incorporate, and apply environmental guidelines
6.4 Effectiveness of subprojects being designed and implemented in environmentally sound manner

G. Administration

7.1 Project management Unit (PSC role and performance/ project management unit performance)
7.2 PVO Support Unit (Entrena performance)
7.3 Fiduciary Agent (Banco de Desarrollo Dominicano role and performance)
7.4 Team composition/ duties, levels of efforts, adjustments required in terms of service, TA, and training
7.5 Level and effectiveness of coordination among three contract units
7.6 Coordination with other donors (IAF, Peace Corps, CARE, CRS)
7.7 Effectiveness of project monitoring
7.8 Adequateness of cash flow to grantees
7.9 NGO/PVO perception of assistance of institutional contractors

H. Conclusions

8.1 Lessons learned

I. Recommendations

ANNEX C: PERSONS/INSTITUTIONS INTERVIEWED

A. USAID/Dominican Republic

Michael Deal	Deputy Director
Cristina Adamczyk	Acting Chief, General Development Office
Richard Mangrich	PSC, PVO Project Management Unit
Rick Garland	Asst. Program Officer
Wayne Butler	Controller
Marty Knapper	Contract Officer
Luis Gonzalez	Evaluation Officer
Marina Tavera	Program Office
Odalis Perez	Asst. Environmental Officer
Maritza Rodriguez	Controller Office
Jack Thomas	Program Office
Elisane de Moya	Controller Office
Patricia Hernandez	Controller Office

B. ENTRENA

John Seibel	President
Bolivar Pou	Chief of Party, Co-Finance Project
Frederico Pena	Technical Staff
Selma Zapata	Technical Staff
Alberto Roa	Technical Staff
Iluminada Diaz	Technical Staff
Robert Crowley	Technical Staff
Maria Garcia	Finance
Francisco Tamaris	Accountant

C. NGO/PVO Personnel

Asociacion Aguas Vivientes (AAVI)
- Abel Ramirez
- Abraham Rivera
- Miguelina Reyes

Asociacion para el Desarrollo San Jose de Ocoa (ADECO) y Pan American Development Foundation
- Carlos Jose Bonilla
- Fernando Duran

Asociacion para el Desarrollo Provincia Espaillat (ADEPE) y Asociacion para el Desarrollo Provincia Salcedo (APRODESA)
- Dorca Barcacel

Asociacion para el Desarrollo (APEDI)
Emmanuel Castillo
Zenaida Reynoso

CARITAS Dominicana
(Did not visit)

Centro para el Ecodesarrollo de Samana (CEBSE) y Center for Marine Conservation
Omar Ramirez
Rosa Lamelas
Patricia Lamelas

Centro para la Educacion Integral (CES)
Juan Montag
Dolly Urena
Juan Guzman

Consorcio Nacional de Supervivencia Materno Infantil (CONASUMI)
Angel Luis Alvarez

Educadores Unidos del Cibao (EDUDELC)
Rafael Cruz
Manuel Emilio Sanchez
Cruz Felix Batista

Fundacion para el Desarrollo Comunitario (FUDECO)
Horacio J. Ornes Heded
Nestor Sanchez
Ignacio de los Reyes Pena
Experito Marichal

Fundacion para el Desarrollo de la Juventud (FUNDEJUR)
Efrain B. Toribio
Ismael Cruz
Bienvenido Garcia Cordero
Norys Meran

Fundacion para el Bienestar Salud (FUSABI) y Catholic Relief Services (CRS)
Mary Hodem

Fundacion Dominicana de Desarrollo (FDD)
Eduardo LaTorre
Elba Franco

Hermandad
Alberto Munera

Liga Dominicana Contra el Cancer (LDCC)
(Did not visit)

Instituto Dominicano de Desarrollo Integral (IDDI)
David Luther
Ernesto Cruz

Mujeres en Desarrollo (MUDE)
Mauricia Goldberg

Sociedad para el Desarrollo Integral del Nordeste (SODIN)
Eulalio Holando Quiroz
Raul Taylor
Catalino Paulino
Felix Mancel
Ernesto Rupp

D. Other Persons

Manuel Jimenez	Banco Dominicano de Desarrollo
Leonardo Morros	Coordinator, Secretariat Technical of Presidency

About 200 community leaders and promoters