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**ACDI/VOCA**  
**Institutional Support Grant**  
**Final Evaluation**

**Prepared by**  
**Barry Riley**  
**For ACDI/VOCA**  
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*Barry Riley is a private consultant on issues of food security and food policy. He served with USAID for 22 years including four years as Director of the Office of Programs, Policy and Management in the Food Aid Bureau. He subsequently served five years on the staff of the World Bank's Food Security Unit and was a visiting scholar at Stanford University's Food Research Institute during the 1996 and 1997 academic years. He lives in Northern California where he is writing a book on factors creating conditions of chronic food insecurity in Africa.*

## I Executive Summary

This is the final evaluation of the ACDI/VOCA FY 1994-98 Institutional Support Grant (ISG). The ISG was awarded by USAID to enable ACDI/VOCA to strengthen its ability to manage its Title II food assistance programs with greater positive effect on household food security in targeted countries. The funding level approved in the Cooperative Agreement was \$650,000 vs the ACDI/VOCA request level of \$1,364,644. The budget cutback necessitated removal of several activities which had been part of the original design and reductions in the level of effort in others.

The Goal of the ISG was expansion in the use of ACDI/VOCA's "food system" approach within Title II food aid projects in addressing food security constraints. Success would be signaled by the development of new monetization programs employing ACDI/VOCA's unique, private sector-oriented, food system approach in delivering improved household food security. The Purpose was to maintain and strengthen ACDI/VOCA's institutional capacity to support the management and accounting of Title II commodities in ways consistent with improving food security among targeted beneficiaries. Purpose-level achievements were to be measured by i) continued headquarters capacity to backstop on-going Title II programs, ii) improved headquarters expertise in using food aid as an instrument to achieve improved food security, and iii) designing and conducting feasibility studies as precursors to new Title II programs.

As approved, the reduced budget allowed support for one full- and one part-time professional staff person in ACDI/VOCA's Food for Development (FFD) Unit to backstop on-going programs, some training, limited travel and limited development of new programs. While constrained in many ways by the very limited budget, ACDI/VOCA still managed an impressive set of outputs and commendable progress and goal-level achievement over the 4 ½ years of implementation undertaken to date. New staff were recruited to fill the ISG-supported Unit, these officers undertook several types of training (as did other ACDI/VOCA staff – though not always funded from the ISG). Monetization proposals, concept papers or feasibility studies were completed for Gaza/Jerico, Cape Verde, Uganda, Eritrea, Bosnia, Mozambique, Malawi, and Rwanda. Active consideration was given to Kenya, Ethiopia, Liberia, Angola and Bolivia. Some of these remain active possibilities. DAP preparation was backstopped in Cape Verde and Uganda, on-going programs were redesigned to comport with USAID's new results-oriented strategic directions, monitoring and evaluation (M&E) plans were developed for Cape Verde and Uganda, a Cape Verde 'case study' was designed and used for a regional training seminar (funded outside ISG) in Praia on natural resource management under Title II monetization projects. Food security as an objective of strategy began to permeate other non-FFD ACDI/VOCA activities in non-Title II countries, including those supported by USDA's Food for Progress program.

What was not accomplished – because there was no budget to hire the expertise to do so – was the development of baseline evidence that could be used to measure progress in terms of impact and targeting and the development of questionnaires and other data gathering and analysis tools enabling more careful assessment of the underlying

assumptions and hypotheses regarding the overall effectiveness of the ACDI/VOCA approach. Funding constraints also hampered the completion of required reporting, particularly after USAID's re-engineering exercise resulted in the need to realign on-going and proposed Title II programs to comport with myriad new regulations and requirements and the decision was made to apply Regulation 216 to Title II food aid programs. The small amount of staff time available, after normal backstopping was provided, was more than consumed with these tasks to the detriment of fulfilling required quarterly progress reporting requirements. In addition, the combination of budget-induced staff shortfalls and the additional requirements stemming from the re-engineering exercise required that ACDI/VOCA management devote increasing amounts of unrecompensed management time to Title II concerns and issues.

Six findings result from this final evaluation:

- *ACDI/VOCA has done a good job using ISG resources to make progress toward its overall goal and objectives*
- *The reduction in the initial size of the ISG grant curtailed ACDI/VOCA's ability to explore some important aspects of achieving increased food security*
- *USAID's re-engineering exercise placed a considerable additional time burden on ACDI/VOCA's FFD Unit*
- *ACDI/VOCA's progress reporting was not as good as it could have been*
- *It has been difficult to make new monetization starts*
- *ACDI/VOCA accomplished a considerable share of what it set out to accomplish under the ISG – imbuing ACDI/VOCA staff with the food security message and having it resonate throughout their entire program*

There are four recommendations for future actions:

- *ACDI/VOCA should develop a proposal for a follow-on ISG*
- *The next phase of ACDI/VOCA's Title II efforts in food insecure countries should emphasize working more cooperatively and extensively with other NGOs, U.S., international and local, and possibly with other donors*
- *The focus of ACDI/VOCA Title II activities should be increasingly on institutional development at the community level*
- *ACDI/VOCA needs to keep searching for other possible sites for new Title II programs to implement its development – and trade – oriented approach to monetization*

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## Table of Acronyms

AC	Assistant Coordinator
ACDI/VOCA	Agricultural Cooperative Development International
AFAC	Assistant Food Aid Coordinator
BHR	Bureau of Human Resources
CB	Cooperative Bank
CRS	Catholic Relief Services
DAP	Development Activity Proposal
DIP	Detailed Implementation Plan
FAC	Food Aid Coordinator
FAM	Food Aid Management
FFD	Food for Development Unit
FFP	Food for Peace
FOOD-FOR-WORK	Food for Work
FNA	Food Needs Assessment
FSF	Food Security Fund
ISG	Institutional Support Grant
M&E	Monitoring and Evaluation
MTE	Midterm Evaluation
MYOP	Multi-Year Operational Plan
NGO	Non-Government Organization
PAA	Previously Approved Activity
USAID	U S Agency for International Development
USDA	U S Department of Agriculture
VOCA	Volunteers in Overseas Cooperative Assistance
WFP	World Food Program

## II Introduction and Background

### A Introduction

This is the final evaluation of ACDI/VOCA's 1993-98 Institutional Support Grant (ISG) It was prepared in March, 1998 under terms of reference derived from the original Proposal

“ the final evaluation will examine the impact of the grant from an institutional perspective, looking at how ACDI/VOCA has improved its skill base through training and recruiting and how it has performed both with respect to maintaining existing activities and expanding to new ones ”

The evaluation is divided into five sections I) Executive Summary, II) Introduction and Background, III) the Experience of the ISG, IV) Findings and Recommendations, and V) Annexes Section III is the heart of the evaluation and has two principal parts The first is essentially descriptive, depicting a) the principal activities and outputs under the Grant on a year-by-year basis and, b) results grouped by objective The second part is the evaluative commentary responding to the themes in the terms of reference and providing additional analysis on the interplay between context and performance within the framework of a constrained budget and the changing USAID design, implementation and reporting requirement stemming from the post-'re-engineering' emphasis on 'results' and measuring results-oriented impact Section IV contains six findings distilled from the analysis in Section III and four recommendations for consideration in future ISG-type activities

### B Background

ACDI/VOCA is a member-owned and supported, private, nonprofit, international development organization providing expertise at the request of agribusinesses, cooperatives and private and government agencies abroad in order to help expand economic opportunities and growth in developing and emerging countries Its programs promote

- Small and medium scale agribusinesses and enterprises
- Democratically-based private farmer associations
- Networks for future world trade alliances
- Rural credit and banking systems
- Transfers of skills through in-country training and overseas exchange programs
- Sustainable management of natural resources and the environment through assistance to farmers, nonprofit organizations and governments

In a quite fundamental sense, the ACDI/VOCA's 'Mission Statement' as contained in the original ISG Proposal captured the spirit of its overall organizational 'purpose' at the time of the ISG Proposal in December 1992

“The mission of ACIDI is to foster economic development and trade relationships by improving the income and well-being of farmers worldwide, particularly in developing nations, through assisting in the organization and use of member-owned agricultural and credit institutions ”

Progress toward increased incomes and well-being of targeted populations in developing countries have been carried out in five types of programs 1) agribusiness and trade promotion, 11) credit systems development, 111) food for development activities, 1v) training and exchange programs and v) agricultural resource management In 1997, ACIDI/VOCA’s Food for Development Business Plan for FY 1998 (a component of the ACIDI/VOCA Strategic Plan), written five years after the Mission Statement referenced above, reflected considerable continuity in ACIDI/VOCA’s purpose even after years of significant change in USAID’s own objectives, direction and methodologies

“ACIDI/VOCA identifies and opens economic opportunities for farmers and other entrepreneurs worldwide by promoting democratic principles and market liberalization, building international cooperative partnerships and encouraging sound management of natural resources ”

The Business Plan proceeded to describe its food aid strategy as follows

“In all activities of the Food for Development (FFD) Division, the goal is to improve food security in developing societies and emerging democracies through (1) the promotion of private-sector food marketing channels for the importation, handling, distribution, and monetization of food commodities and (2) the use of local currencies generated through monetization to strengthen agriculture, agribusiness and related institutions

“ACIDI/VOCA’s overall business strategy for monetization is to maintain and build upon its reputation for good management by providing sufficient support, oversight, and guidance to its ongoing monetization activities, market ACIDI/VOCA’s proven reputation in monetization to additional USAID and USDA programs in other countries, seek strategic relationships with USDA cooperators, ACIDI members and other private sector entities, and maintain active involvement in the food aid community in order to have input into the formation of food aid policy and strategies ”

The challenge for this Report is to describe and analyze how ISG-financed resources have been used to make good on this strategy, how successful the effort has been to date, and the chances for the sustained continuance of success implied in the term ‘*food security*’

ACIDI/VOCA’s methodology is based on the use of cooperative principles to create conditions enabling sustainable development among its client organizations in developing countries and their often very poor constituencies It emphasizes enterprise strengthening and business-oriented institutional development It features a “food systems approach” recognizing the interdependencies of complex organizations and institutions in the production, storage, marketing, transporting, retailing and consuming of food products This system relies on an underlying net of information, physical infrastructure, economic policies, political processes, and the resiliency of formal and informal institutions, i e the formal and informal ‘rules of the game’ that influence human interactions The food system approach also entails initial analysis of the total system so that all constraints, be they policy, infrastructure, or market related, are considered This is intended to avoid

focusing on one constraint only to discover later that others existed. By strengthening the food system in areas where it is not performing well, ACDI/VOCA projects serve to create more income for more participants in the system through greater returns to producers, processors, transporters, marketers and better value for consumers from having enhanced cooperative-based agriculture and agribusiness.

PL 480 food aid is an important input into this ACDI/VOCA process in several food insecure countries, principally in Sub-Saharan Africa and in some of the newly-independent states. Whether from USAID's Title II grant program or USDA's Food for Progress program, the imported food is monetized through sale in the recipient country, with the local currency proceeds used to support local development projects focused on constraints in the food system. These are almost inevitably concerned with improving the well-being of households whose livelihoods are dependent upon the food system of that country, either as producers, small agriculture-based enterprises or as transporters or marketers. ACDI/VOCA's approach in the use of Title II food assistance is designed to i) develop private alternatives to all-too-common public sector control over much of the food system, ii) reduce the recipient country's need for basic food imports, and iii) integrate food aid projects with other ACDI/VOCA projects to better address food insecurity issues.

In August, 1993 ACDI/VOCA was awarded an Institutional Support Grant (ISG) by USAID/BHR/FFP. Such grants – which have been awarded to several U.S. PVOs in recent years – are intended to strengthen the recipient Cooperating Sponsor's ability to manage its Title II food assistance programs to greater positive effect on household food security in targeted countries by means of improved design, implementation, supervision, monitoring and evaluation of on-going PVO Title II programs and through the development of new, more effective programs. In awarding the Grant, USAID provided explicit support for the Title II program goal and program purpose contained in Attachment Two of the Cooperative Agreement. The development of that goal and purpose, together with the agreed principal activities deemed necessary to achieve them form much of the content of the next Section of this Report.

### **III The Experience of the Institutional Support Grant, 1993-1998**

#### **A Narrative Description**

This section of the Report begins with a review of the original intent and scope of ACDI's<sup>†</sup> ISG Proposal, as transmitted to USAID/BHR/FFP on December 18, 1992. It touches briefly on the magnitude of the budget reduction and then describes ISG implementation from two perspectives.

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<sup>†</sup> ACDI later merged with Volunteers in Overseas Cooperative Assistance (VOCA) and the organization took the name ACDI/VOCA.

## 1 The Original Proposal

The proposal contained a scope of effort intended to yield a number of identified results stemming from proposed levels and types of inputs. The budget requested was \$1,364,644, to have been allocated to ACIDI/VOCA and expended over the five year period 1994-98 at a proposed annual expenditure rate of approximately \$273,000. The actual award was for \$625,000, an average of \$125,000 per year – only about 45 percent of the funding level requested. Thus, by necessity, the originally-proposed scope of effort had to be considerably reduced by ACIDI/VOCA. This necessitated removal of several components resulting in a considerably scaled-back effort with a much reduced set of achievable results. In fact, the effects of what was clearly a massive cut in available resources reverberated throughout the entire lifetime of the program. The consequences of this initial reduction form a major theme of this evaluation and are discussed extensively in other sections of this Report.

### a Goal, Purpose and Objectives

The Proposal established as its goal expanding the use of ACIDI's food system monetization approach to Title II food aid projects in addressing food security constraints. The signal of its being achieved was to be initiating three new ACIDI projects where countries had agreed to food being transported and sold through the private sector, where it had once been handled by the public sector. Three purpose-level components were identified to accomplish this goal: i) maintaining and strengthening headquarters capacity to manage and account for its Title II commodities, ii) building further organizational expertise in the use of Title II food aid as an instrument for achieving food security, and iii) carrying out feasibility studies to identify new country situations amenable to the ACIDI/VOCA approach.

As enunciated in the Proposal, ACIDI/VOCA's 'goal' is best understood in the context of its overall philosophy in using Title II food aid resources in ways that promote or strengthen its food systems approach and, through this approach, encourage the development of private sector agriculture, agribusiness and marketing channels. The ISG's task was to increase the *effectiveness* of ACIDI/VOCA's Title II resources in achieving improved household food security. The goal was to be achieved through deployment of ISG-financed resources to enhance ACIDI/VOCA's overall ability to achieve its targets and goals by means of more and better Title II programs and by increasing ACIDI/VOCA staff capabilities to design, manage and monitor Title II programs. The analogy of sharpening a knife can be applied here. The strategy was akin to sharpening a knife, enabling the knife to cut better. The Grant was the sharpening process, ACIDI/VOCA's Title II program was the knife. The issue for the final evaluation is two-stepped – i) to determine how well the sharpening process was effectuated and ii) to determine how much of the final cutting could be attributed to using a sharper knife.

The Grant's purpose has been to “ maintain and strengthen ACIDI/VOCA's centralized (headquarters) institutional capacity to support the management and accounting of Title II

commodities ” These capabilities had already been developed within ACDI/VOCA, the role of the ISG was to help not only to maintain them at an established level of acceptable quality, it was also to strengthen them

b      Means of achieving objectives

Three basic tasks needed to be undertaken with ISG-financed resources. The first was to enable ACDI/VOCA to maintain its capabilities to operate Title II programs effectively. The second was to increase and expand Title II programs into new countries where the food systems approach was believed feasible. The third was to undertake feasibility studies as necessary precursors to the second task.

1 )      *Maintaining Title II management capabilities*

Three basic operations were to have been funded from the ISG, related to the first basic task. These were:

- a )      Program Operations – involving the day-to-day management of ordering, transporting and accounting for Title II food aid commodities
- b )      Personnel management of field staff – involving the recruiting, training, posting and backstopping of field staff
- c )      Continuing policy review – involving the periodic review of ACDI/VOCA food policies vis-a-vis USAID food aid policies

2 )      *Strengthening its internal capabilities in order to expand to new programs*

Again there were three aspects believed necessary to successfully implement this task. There were:

- a )      Internal policy development – involving the preparation of a new policies and procedures manual for Title II management
- b )      Financing of a full-time food aid coordinator – needed to strengthen ACDI/VOCA’s ability to backstop food aid effectively
- c )      Improving project monitoring and evaluation of Title II – involving the establishment of baseline data for Title II projects and systematically monitoring changes in these baseline values, some of which could be attributed to Title II resource transfers

3) *Undertaking feasibility studies*

This task was needed in order to be able to increase the food security impact of new Title II programs. Such feasibility studies were, in effect, pre-appraisals determining the suitability of the local situations to the food systems orientation of ACIDI/VOCA's Title II approach. Without them, new starts would have a greater likelihood of failure. The feasibility modality suggested in the Proposal was

- a) Look for impaired functioning in private market systems
- b) Attempt to determine whether the food security situation was amenable to improvement through strengthened food systems

2 Actual ISG award budget vs the original request

a ACIDI/VOCA submitted a 5-year budget for undertaking the tasks described above. It is shown in the 'Proposed' column of Table 1

**Table 1 Proposed vs Approved Budget**

	Proposed	Approved	Percent Approved
Category	(\$000)	(\$000)	%
Personnel	683	425	62
Training	56	7	12
Travel	67	25	37
Other Direct Costs	13	1	8
Evaluation	48	0	0
<b>Total Direct Costs</b>	<b>999</b>	<b>458</b>	<b>46</b>
Indirect Costs	366	167	46
<b>Grand Total Requested</b>	<b>1,365</b>	<b>625</b>	<b>46</b>

b The 'Approved' and 'Percent Approved' columns of Table 1 depict the actual USAID-approved budget (see Cooperative Agreement FAO-0801-A-00-3048-00). It was 46 percent of what had been originally requested. The principal activities approved can be summarized as follows

- Support for a full-time Food Aid Coordinator (FAC)
- Support for a half-time coordinator for project development
- Support for conduct of backstopping activities for Title II programs
- Support for performing at least one feasibility study per year with the objective of initiating at least two MYOPs over the life of the Grant
- Staff training

Thus, in sum, the ISG, as approved, carried a tentative funding level sufficient to cover the costs of about 1.5 to 1.8 person years of ACIDI/VOCA staff time and limited travel devoted to Title II support, feasibility studies and the development of new programs. A relatively small amount was made available for training, primarily for these two officers but also available to other ACIDI/VOCA staff. There was little funding indeed for staff or

consultants to develop new programs, design and test data gathering and monitoring systems or, in fact, to do other than the basic backstopping of its on-going portfolio and very modest exploration of new program possibilities

### 3 Implementation of the Grant

The principal concern, as the ISG was initiated, was for ACDI/VOCA to be able to improve its institutional capacity to manage Title II programs in ways that promoted the food systems approach to improving food security among target populations in those countries. The achievements and results are described in this section of the Report. They are discussed from two different perspectives. First, in Section 3 a, achievements are presented chronologically, year-by-year. Second, in Section 3 b, results are presented in the same format as was contained in the mid-term evaluation (MTE), i.e. against objectives, but with updated information added. While this may create some repetition, the enhanced understanding derived from the two perspectives is quite useful for evaluative purposes.

#### a Year-by-Year Outputs achieved

##### 1 ) *Year One (FY1994)*

The headquarters-based Food Aid Coordinator (FAC) was hired to backstop Title II programs in Uganda and Cape Verde. The Assistant Food Aid Coordinator (AFAC) position was not filled during the Grant's first year, due to an ACDI reorganization underway at the time.

An Operational Plan for a monetization activity in Gaza/Jerico was developed envisioning the sale of Title II vegetable oil through the private sector and using the local currency proceeds for training and technical assistance to establish a new banking industry. USAID, however, did not approve the proposed program. Marketing and searching for appropriate country locations for new starts occurred throughout the year.

The FAC made a supervision trip to Uganda and to Cape Verde to review Title II program procedures and an internal auditor traveled to Cape Verde to review and refine Title II-related financial management issues. While these trips were not charged to the Grant, they had an important influence on the way in which other Grant-activities were handled.

A major activity in Year One was the establishing of two principal benchmarks for ISG activities as follows:

Benchmark #1 – Instituting private sector sales and marketing of Title II commodities  
Indicator – The number of new programs established The initial target was two new programs where food is imported and sold through the private sector and the local currency sales proceeds are used to promote agriculture and agribusiness

Benchmark #2 – Maintaining and strengthening high quality support and management of on-going projects and physical and financial accounting of project commodities and local currency sales proceeds

Indicator – Measured by annual performance reviews of the FAC and AFAC The initial category of indicators were good evaluations showing compliance with USAID regulations governing Title II food aid programs and favorable audit reports indicating no loss or misuse of commodities or sales proceeds

## 2) *Year Two (FY1995)*

The AFAC was hired and provided training to handle all aspects of his Title II backstopping role He traveled to Uganda to assist in the automating of a monitoring and evaluation system for local currency funded activities and to become familiar with ACIDI's monetization program in the country He participated in sales, accounting and reporting aspects of the program as part of the learning exercise

This year marked the beginning of the USAID re-engineering exercise No MYOPs were developed in Year Two, as USAID was transitioning from the MYOP system to the DAP system and the associated policy and procedural changes had not yet been fully developed or conveyed to the Title II PVO community USAID also issued its *Food Aid and Food Security Policy Paper* providing the clearest picture yet of USAID's definition of, and strategy in achieving improved, food security An important task of these two officers was the interpretation of the USAID food security strategy into terms relevant to the ACIDI/VOCA Title II monetization, private sector-oriented program

The possibility of new programs in Kenya, Mozambique and Eritrea was examined ACIDI/VOCA's private sector monetization approach was found not to have been feasible under then present circumstances in Kenya and Mozambique, but Eritrea appeared promising Discussions were held with Eritrean authorities and a Title II Concept Paper was prepared

Both the FAC and the AFAC attended a seminar in project design and logical framework training The AFAC received on-the-job training throughout the period and participated with the Food Aid Management (FAM) consortium of Title II PVOs which provided added training Both the Uganda and Cape Verde Program Managers received training – Portuguese language training in the case of the former and management training for the latter

The Annual Progress Report for Year Two noted that the ISG was already having its intended effect on overall ACIDI/VOCA performance by supporting a monetization

methodology enabling liberalized commodity markets, stimulating trade and, through strengthening of the food system generally, enhancing food security

3 ) *Year 3 (FY1996)*

The Midterm Evaluation (MTE) served as the annual progress report for Year Three. It reviewed progress against the four primary objectives of the ISG contained in the original Proposal and enumerated progress against each of them as follows

*Objective #1 – Expand ACDI’s food systems approach using Title II resources and monetization as a means of encouraging the development of private sector agriculture and agribusiness and private sector marketing channels*

*Results*

The small support unit which ISG had helped finance enabled ACDI to develop a unified philosophical approach to food aid, a food security analytical framework and a more consistent use of its food systems approach which have, among other things, resulted in i) establishment of a private edible oil market in Uganda, ii) capitalization and institutional strengthening of the Uganda Cooperative Bank (the only Bank in Uganda effectively serving the rural areas), iii) formation of private-sector watershed development associations in Cape Verde, and iv) the reinvestment by these associations of Title II-induced earnings into improved agricultural practices, processing equipment and irrigation infrastructure in Cape Verde

*Objective #2 – Maintain ACDI’s headquarters capacity to support the management of accounting for Title II commodities*

*Results*

The Food for Development Unit was established in order to give formal structure to ACDI’s food aid activities and serve as an information resource on food security to all ACDI/VOCA project staff. New and experienced staff were recruited to replace outgoing staff. Capacities were developed and enhanced to design and arrange for special reports (such as the “Cape Verde Food Needs Assessment” of December, 1995) and for evaluations and audits. Internal training of staff was on-going, related to the processes of planning commodity arrivals, issuing calls-forward and assuring that commodity arrivals were in good order. External training was provided to the Food For Development Director and Assistant Coordinator, as was specialized training in international trade and business practices, environmental compliance and commodity management.

*Objective #3 – Build organizational expertise in the use of Title II food aid as an instrument for achieving food security*

### *Results*

The Food for Development staff familiarized other ACDI/VOCA staff on a regular basis regarding the utility of the concept of food security as an objective of planning and management. One ACDI/VOCA manager described the FFD's role as that of a "food security trumpet" within ACDI/VOCA. This is important because ACDI/VOCA has a large and increasingly diversified program with more than half its financing coming from private sources. While there is a common theme (derived from its 'Mission Statement') that permeates operations – the focus on private alternatives to strengthening the food system and, through it, the economic well-being of entrepreneurial producers, traders and small business people – the notion of how this can and can not be designed to enhance food security has to continually reinforced. USDA Food for Progress-funded activities are a prime target for the food security 'trumpet' as are non-food programs in Latin America, Eastern Europe and the former Soviet Union. The recent merger with VOCA has added a whole new cadre of farmer-focused technical assistance personnel within the expanded ACDI/VOCA organization as an audience for the ISG-supported food security 'trumpet'.

As a result ACDI/VOCA staff have increasingly integrated food security concepts into their own planning, programming and management activities. The Food for Development Unit's staff assisted in developing a feasibility study for an integrated Title II activity in Bosnia intended to address food security constraints. The Unit was also involved in food security-related training of ACDI/VOCA's monetization specialist.

*Objective #4 – Carry out feasibility studies aimed at initiating Title II activities in new countries, addressing food security constraints*

### *Results*

Feasibility studies for new Title II programs were completed in March, 1996 for Uganda and Cape Verde. On the basis of these studies DAPs were prepared and approved by USAID. Another feasibility study was conducted in 1996 for a monetization activity in Eritrea. In this instance, the Government of Eritrea determined – in the case of all NGO monetization programs – that all non-emergency food aid would henceforth be carried out only by the government with the role of donor governments and NGOs limited to activities and programming paradigms approved by the government. This was unacceptable to ACDI/VOCA and, in fact, to all NGOs operating in Eritrea. Development-focused food aid has essentially halted. Another feasibility study for a Title II emergency program in Bosnia was also undertaken in FY1996. It has not, however, resulted in the development of a program.

#### 4) *Year Four (FY1997)*

A new Food for Development Director (FDD) arrived in December, 1996 to replace the former Director who had been posted to Georgia as the ACDI/VOCA Country Representative. The new Director had had prior ACDI/VOCA experience with Title II activities in Cape Verde. His first task was to develop the detailed implementation plan.

(DIP) for FY1996 and to undertake training to familiarize himself with ISG requirements and with the international trade aspects of food aid. A new Assistant Coordinator (AC) was hired during the latter part of FY 1997, and training of this officer in food aid related concerns was initiated. Both officers spent considerable time providing backstopping support to the major Title II monetization programs in Uganda and Cape Verde.

Training was undertaken in collaboration with staff of USAID's Impact Project to increase ACIDI/VOCA's understanding of techniques for identifying appropriate impact indicators, enabling work to be initiated on Monitoring and Evaluation Plans for the monetization programs in Uganda and Cape Verde. FFD staff played a major role in the design of these M&E plans. The Cape Verde M&E plan was completed in June, 1997.

The Food Aid Management (FAM) group of 14 Title II PVOs had become increasingly active and energized over the prior 2-3 years. During FY 1997, the group established a number of working committees and sub-committees. ACIDI/VOCA's FFD was an active participant in the efforts of the FAM, especially in the area of monetization policy and management. FFD staff also participated in the FAM Working Groups on Monitoring and Evaluation and Capacity Building and attended the FAM Coolfont Retreat. Another area of increasing concern and staff activity was the application by USAID of USG Regulation 216 (involving the need to undertake environmental reviews for U.S. foreign aid projects) to certain classes of Title II food aid projects. The AC devoted a considerable portion of her time to this activity during the year. A case study of the Cape Verde program was prepared for use at a natural resource management and environmental workshop. This case study satisfies the requirement established by USAID at the time of ISG approval that ACIDI/VOCA prepare one case study derived from its ISG experiences.

##### 5) *Year Five (FY1998)*

The fifth year is only half over as this evaluation is being completed. During this first six months, the FDD continued providing stepped-up backstopping to the two major programs to comport with the need to develop M&E plans, to enable the Uganda Country Representative and his staff to take up the task of overall monetization for all PVO Title II and WFP programs in Uganda and to prepare for possible management responsibilities for a potential new Title II start in next-door Rwanda. The M&E Plan for Uganda was completed in December, 1997 as a supplement to the 1997-2001 DAP. The FDD was instrumental in its completion. This M&E plan contains an excellent graphic depiction of ACIDI/VOCA's food systems approach to increased household food security. It, in many ways, can be seen as a summary statement of how far ISG-supported Title II strategic efforts in food security-oriented programming have come in the 4 ½ years since inception. It also maps the path for the future – not only for the program in Uganda – but for all ACIDI/VOCA food security-focused strategic planning into the 21<sup>st</sup> century. It is included in this Report at Annex D.

The AC traveled to Praia to provide assistance to the Country Representative in following up on the Cape Verde monitoring and evaluation plan. The above-mentioned regional environmental workshop was held in Cape Verde related to the ACDI/VOCA experience with the use of Title II assistance in environmentally friendly, sustainable ways which also promote improved household food security. While the workshop itself was not funded from the ISG, the staff of the FFD were involved in the design, backstopping and follow-up. In addition, a case study prepared for workshop attendees using the Cape Verde Title II program was used as the central presentation model. Training exercises for the participants were undertaken on the basis of the Cape Verde experience.

Two monetization concept papers have also been completed thus far in FY1998. The first, for Malawi, has at least tentatively been rejected by the USAID Mission (although as this Report is being written there is some additional analysis being undertaken by the Mission). The second is for Mozambique. Its status with USAID is still unclear. Finally, in the January to March, 1998 period ACDI/VOCA has prepared and submitted to USAID a proposal for a \$10 million monetization program for Rwanda to be undertaken in the countries of the African Great Lakes.

In its role of food security 'trumpet' FFD put on a panel discussion on food security for all ACDI/VOCA staff, with USAID panelists John Lewis of the Global Bureau, Jim Vermillion of PPC and Tim Lavelle of FFP. Discussion was brisk and there was substantial positive feedback from staff.

b Results achieved under the Grant

The second way of reviewing performance is to cluster results achieved against specific objectives in the same way as was done in the Mid-term Evaluation (MTE) which reported on results against the four objectives identified at that time as the main elements of the ISG. This section uses the same set of objectives and updates the listing of results achieved against each of them – from the Grant's inception date to the present.

1) Objective #1 – *“expand ACDI/VOCA's food system approach, using Title II resources and monetization as a means of encouraging the development of private sector agriculture and agribusiness and private sector marketing channels ”*

Result #1 – By providing for a separate food for development staff, ISG has permitted ACDI/VOCA to have a focal point with cross-regional expertise in food aid. This, in turn, has permitted a unified philosophical approach to food aid, encompassing the food systems approach as well as a food security analytical framework. The end result has been consistent application of the food systems approach (as well as consistency in application of food security principles) that likely would have been absent without an ISG-funded Food for Development unit.
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Result #2 – Establishment of an edible oils market in Uganda, both for importation and internal marketing.
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Result #3 – Capitalization and strengthening of the Uganda Cooperative Bank, the only bank in Uganda effectively serving the rural areas
Result #4 – Backstopped the preparation of the 1997-2001 Title II DAP for Uganda
Result #5 – the ACIDI/VOCA Title II program in Uganda acts as the monetizing agent for all other Title II PVOs and for the World Food Program, in large part due to the backstopping provided by the FFD unit and to the skills and training of the ISG-recruited and trained Country Program Manager and his Ugandan staff
Result #6 – Formation of private sector watershed development associations in Cape Verde (where once all rural watershed work was planned and conducted by the government)
Result #7 – Watershed development associations are reinvesting earnings from Title II-funded conservation activities into improved agricultural practices, processing equipment, and irrigation infrastructure in Cape Verde
Result # 8 – Backstopped the preparation of the Cape Verde 1997-2001 DAP

2) Objective # 2 – *“Maintain ACIDI/VOCA’s headquarters capacity to support the management of and accounting for Title II commodities ”*

Result #1 – Established a Food for Development (FFD) Unit within ACIDI/VOCA, giving formal structure to food aid activities and serving as an informational resource on food security to all ACIDI/VOCA/VOCA/VOCA project staff
Result #2 – Recruited new staff members and replaced outgoing staff with in-house personnel experienced in working with the FFD Unit and Title II programs
Result #3 – Developed capacity to design and arrange for evaluations and audits of Title II programs
Result #4 – Conducted MTE
Result #5 – Backstopped Final Evaluation
Result #6 – Designed and arranged for a Food Needs Assessment in Cape Verde that provided insights into the household and national food security situations
Result #7 – FFD staff engaged in a number of relevant short-term training programs, both internal and external, improving their capacity to backstop the myriad details of international commodity trade
Result #8 – Trained additional staff in the process of planning commodity arrivals, issuing calls forward and assuring that commodities arrive in the recipient country in good order (and following up with transporters, shippers, agents and other USG agencies if they do not )
Result #9 – Provided external training in project management and design to Food for Development Director and Assistant Director
Result #10 – FFD staff participated in, and in some cases conducted, FAM workshops in such areas as food aid policy, Title II management, commodity selection, indicators and monetization. There was also continual participation in on-going FAM working groups gradually moving towards increased cooperation among Cooperating Sponsors both generally and in specific country situations

3 ) *Objective # 3 – “Build organizational expertise in the use of Title II food aid as an instrument for achieving food security ”*

Result #1 – The FFD staff have familiarized other ACDI/VOCA staff with food security concepts, and have continued to do so on a regular basis throughout the ISG’s lifetime Food security concepts now imbue much of ACDI/VOCA’s strategic thinking, program and project design and in monitoring against food security objectives in many countries where food aid (and in some cases in countries where there is no food aid) is involved
Result #2 – The FFD Unit provided a locus for broader organizational concern regarding M&E Specifically, an ACDI/VOCA staff member (not ISG-funded) participated fully in DAP preparation, which proved to be an important opportunity to build his M&E skills Based on what he brought to the process as well as what he learned in the process ACDI/VOCA recommended him for the M&E position under the Uganda DAP
Result #3 – Assisted in reorienting Title II monetization activities to correspond to the USAID requirements for ‘results’ oriented reporting, monitoring and evaluation
Result #4 – Assisted in convincing USAID to allow the Cape Verde Title II monetization effort to continue in Cape Verde, a non-emphasis country The ACDI/VOCA program in Cape Verde is now the most substantial foreign technical assistance presence in the country
Result #5 – Preparation of a Monitoring and Evaluation Plan for Cape Verde
Result #6 – Preparation of a Monitoring and Evaluation Plan for Uganda
Result #7 – The FFD Unit received support from both USAID’s Title II program and from USDA’s Food For Progress program While the former relates to the more food insecure countries, primarily in Africa, and the latter deals primarily with the more sophisticated economies of the former Soviet Union, there are still food insecurity issues in the latter which need to be addressed The ISG – provided training and experience of the staff on the Title II side – has had food security-enhancing repercussions in the design and management of the USDA Food for Progress efforts in the latter countries †

4 ) *Objective #4 – “Carry out feasibility studies aimed at initiating Title II activities in new countries which address food security constraints ”*

Result #1 – Feasibility studies for new Title II programs in Uganda and Cape Verde were completed in March, 1996 On the basis of these studies, DAPs were developed and approved
Result #2 – A feasibility study was conducted for a monetization activity in Eritrea in 1996 The government of Eritrea, however, modified its policy toward food aid at about the time the feasibility study was completed and has been unwilling to permit this activity (or any non-emergency NGO-managed food aid programs) to go forward ACDI/VOCA was able to initiate a non-food aid development project and will continue to monitor the situation regarding the government’s food aid policy

† It should be noted, given USAID’s interest on this issue, that ACDI/VOCA’s timesheets permit a clear breakdown of time spent on individual projects, e g FFD staff time spent of Food for Progress is charged to that activity not to ISG

Result #3 – a feasibility study for a Title II emergency program in Bosnia was undertaken in August, 1996 Lack of Mission receptivity to ACDI/VOCA’s style of market oriented monetization led to a decision not to proceed with a DAP
Result #4 – A Concept Paper for a monetization program in Mozambique was prepared in February, 1997
Result #5 – A Concept Paper for a monetization program in Malawi was prepared in December, 1997 The USAID Mission has asked for further feasibility work on the effects of Title II monetization in Malawi to be undertaken before it decides to approve or not
Result #6 – Initial feasibility-type efforts in Rwanda have led to the development of a formal proposal for a Title II monetization program in Rwanda The formal Proposal was submitted to REDSO/EA in March, 1998
Result #7 – Preliminary reviews of possible additional Title II monetization efforts are continually underway Presently Liberia, Mozambique, Angola and Bolivia are under active consideration for the next round of feasibility studies

## **B Evaluative Commentary**

Section 3 A above is a straightforward narrative description providing two viewpoints of what transpired during FY1994-98 as a result of ACDI/VOCA’s having been awarded the five-year \$625,000 ISG This Section discusses the importance of these achievements, how they measure up to the goal purpose and outputs established in the Cooperative Agreement, and the implications for ACDI/VOCA and for Title II food resources in the future

The first reality noted in evaluating the ISG is its small size Because USAID’s award was substantially less than half of what was asked, the level of effort was initially scaled back in order to stay within the reduced budget level What was lost was essentially 1) the ability to use outside resources to help develop new approaches to increase (and measure) impact on food security in particular countries, 11) the ability to develop and test alternative models, and 111) the ability to increase the level of monitoring of its Title II programs to a point where the results of such monitoring might shed light on issues of impact on target beneficiaries There were not sufficient available funds in the country 202(e) budgets or in the regular Title II project budgets to cover what was lost in the reduced ISG funding levels The ISG funding levels, as approved by USAID, were also inadequate to cover international travel needed to undertake the kinds of survey and pre-feasibility work needed to determine which countries were likely candidates for follow-on feasibility work and Title II proposal development Even the budget needed for travel associated with this final evaluation was cut to the point where none of the Title II sites could be visited as part of the evaluation Nor were there, of course, funds available to cover contingencies In effect, the ISG funding was marginally sufficient for basic backstopping and for modest efforts to undertake a small number of feasibility studies

In light of these severe funding constraints, what ACIDI/VOCA has, in fact achieved under the ISG – as described in Section 3 A above – is quite remarkable. By any standard, ACIDI/VOCA has delivered a large share of what was asked of it. With regard to ISG-funded staff of the FFD doing an excellent job of backstopping its two principal programs, Cape Verde and Uganda, both of the respective Country Representatives contacted for this evaluation reported themselves fully satisfied with the quality, appropriateness and timing of the support received from the staff of the Unit. Internal training and skills upgrading of the staff of the Unit – difficult as it was to squeeze in the needed time – were accomplished in a number of ways: outside, short-term training, FAM-related training, and internal, on-the-job training. In addition, the staff of the Unit were deeply involved in the preparation of the reports, documents, concept papers, DAPs, PAAs and other programming and budgeting documentation.

If there is one area where some criticism may be warranted it is in the lack of quarterly reports called for in the Cooperative Agreement. While the Annual Progress Reports have been done, more-or-less according to schedule (although the Annual Report for Year Four is behind schedule), there was a singular lack of quarterly reporting. The reason seems easy to spot – the staff was at lower strength than had been anticipated and the workloads much heavier for the time available. Nonetheless, by developing an appropriate table format, based on the annual Detailed Implementation Plans (DIPs), adequate quarterly reporting should have been possible.

Some difficulty in evaluating the utility and impact of ISG resources is created by the fact that ISG is essentially a support activity, operating indirectly to improve the effectiveness of Title II programs funded from other sources. In the real world it is difficult to parse Title II programs in ways that distinguish the contributions of ISG support from other influences. What has been attempted in this evaluation is to build a sense of how ISG has been used and – by querying those in ACIDI/VOCA headquarters and in the field offices responsible for Title II – a sense of how useful it has been in ACIDI/VOCA's achieving its Title II program goals and objectives. Thus, most simply stated, the *goal* of ISG is to enhance Title II programs in achieving *their* goals. If Title II programs have been made better, or are in process of being made better – and, if ISG has substantial responsibility for that – then the ISG-financed activities have been doing their job. If, on the other hand, all ISG outputs levels are met (recruiting and ensconcing staff and providing all the appropriate upgrading and training of these staff, etc.) but the Title II program are not being improved as a result, then ISG is not doing its job. Therefore one has to be clear to look at impacts and not just at output-level achievements. There are two intrinsic parts to the ISG's task: 1) maintaining and improving on-going Title II programs and 2) developing new ones.

The on-going Title II programs supported by the ISG are Cape Verde and Uganda. Based on responses from the two Country Representatives and from others in ACIDI/VOCA familiar with these programs, both Title II programs are doing exceedingly well in achieving purpose- and goal-level progress and a principal reason is the supporting services provided – often on a daily basis – by the ISG-financed staff of the FFD Unit. The evidence in Uganda is manifest. The program has taken over the task of in-country

monetization for several other PVOs and the WFP. Its methodology is now widely copied elsewhere. The proposed Rwanda monetization program is based on the Uganda program staff. The proposal for Eritrea was designed on the basis of the Uganda model. This is above and beyond its continuing to be a major support in the development of a private sector edible oil industry in Uganda and the food security benefits of increased high calorie vegetable oil available to all Ugandan citizens at lower prices that would otherwise have prevailed. The Food Security Fund is providing employment and creating assets of a type to strengthen the food sector generally. ISG has been a major force enabling this very strong performance. In addition, the M&E plan for Uganda with its first rate strategic model (See Annex D) is further evidence of how the FFD, using ISG resources, has helped keep the Uganda program on course and targeted on clear objectives right into the 21<sup>st</sup> century.

The story is similar in Cape Verde. The Title II program there involves the strengthening of cooperative endeavors to undertake the task of reviving the islands' soils, improving water retention by cooperative bunding and terracing and in other environmentally-friendly ways. The goal is increased food productivity and at the same time to reduce degradation of the natural resource base. It is working very well, so much so, in fact, that Praia was the site of a recent international workshop on natural resources management and the Title II project was the principal case study. All this in a country where USAID itself closed its office and few other donor agencies are resident. Again, the ACDI/VOCA Country Representative cited ISG-financed assistance not only of great benefit but increasingly necessary as USAID PAA and environmental review requirements become increasingly difficult to satisfy.

The development of new, as opposed to on-going, Title II programs has been a different matter. In the first place, funding limits have constrained the ability of ACDI/VOCA to undertake the needed analysis, travel and in-country discussions necessary to develop the appropriate number of analytically sound feasibility studies. In the case of Eritrea, the feasibility study was made possible only by a special grant of \$54,000 from USAID added to the ISG budget specifically for the Eritrea study. Even with this added funding, it now looks like total USAID allocations for the ACDI/VOCA ISG will still be in the neighborhood of \$650,000.

The development of new Title II programs has been a different matter. It has been difficult for ACDI/VOCA to undertake feasibility work leading to the drafting of DAP proposals in new countries. Not only has funding been inadequate, but there have been several cases where local USAID opposition to Title II monetization programs has prevented preparation of DAPs. While it might have been possible with fuller analysis to overcome USAID reluctance in particular country situations, the funds and staff were simply not adequate to undertake additional analysis to try to overcome USAID opposition.

ACDI/VOCA's approach in using Title II to achieve food security objectives is very much dependent upon country-specific economic, political and often cultural conditions to be present. The approach requires at a minimum a certain level of private sector

economic activity and a public policy environment which is enabling of further strengthening of private sector organizations and institutions. Preliminary on-the-ground assessment is required in order to determine the suitability of a particular country situation for the ACDI/VOCA approach in using monetized Title II to achieve food system and food security objectives. Funds in the ISG were inadequate for undertaking this task in more than a very few countries. Given the characteristic difficulty in overcoming initial USAID Mission reluctance to initiate Title II food-assisted programs in many countries, even in the relative few countries where ACDI/VOCA preliminary analysis indicates the possibility for success, the chances of developing a DAP and having it approved are often slim, the time and effort – and financing – required for the task are simply, in most cases, well beyond what is available.

This problem has been exacerbated by the amounts of additional time and the level of effort required to respond to increasing USAID requirements for more and deeper analysis of impact, the development of monitoring and evaluation plans, the changing foreign aid country priorities, the new environmental review and assessment requirements for Title II programs, and the redesign of existing activities to fit within USAID country-specific strategic and special objectives. None of these requirements existed at the time the ISG Proposal was prepared and approved. However much these may be intended to improve the effectiveness of overall U.S. assistance efforts (food aid included), they have added significant additional burdens in terms of the time and skills required for their undertaking without there having been provided the increments of financial resources to pay for this time and these efforts. As a letter from a Senior Vice President of ACDI/VOCA (who oversees operations of the FFD Unit) to USAID/BHR dated January 26, 1998 states:

“While we did not request funding [under the ISG] to go beyond 185 positions, it should be noted that the time we actually spend on design and implementation of Title II activities is considerable greater. Title II demands on staff time have increased substantially in the last three years due to rigorous requirements for DAP design and for the design and implementation of M&E plans. There is also more stress placed on accurate and quantifiable annual results reporting, and program management is increasingly complex (such as undertaking responsibility for umbrella monetization in Uganda). While these requirements are entirely appropriate, it is essential to recognize that they come at a cost.

“These increased requirements have not only ratcheted up the time required to complete them, but have also increased the level of skills required. When I first joined ACDI/VOCA seven years ago less than 10% of my time was required to oversee the Uganda Title II project with the bulk of the work being done by one junior project officer. Today, I spend well over 50% of my time on Title II matters relating to our two projects (with periodic questions from our president as to why there is no recompense for this), together with a staff that is required to have a broader range and higher level of skills than was required seven years ago.

In its most fundamental sense, the ISG was provided to ACDI/VOCA to enable the organization to expand its particular vision of how food aid can be transformed into private sector oriented economic development in ways that add strength and resiliency to the recipient country's food system. This was to have been achieved by continuing the

excellent starts in Cape Verde and Uganda, by adding new Title II programs and by infusing ACIDI/VOCA generally with a food security-oriented goal and objectives. Within the new USAID results-oriented system with its emphasis on monitoring results achievement and impact and with the addition of more complex processes necessary to do so, what was seemingly inadequate funding initially has become manifestly inadequate funding under these changed circumstances.

## IV Findings and Recommendations

The following six findings and four recommendations for future action are distilled from the discussion in the preceding sections

### A Findings

The following 'findings' are intended to effectively summarize the most obvious and important conclusions resulting from the final evaluation

*1 ACDI/VOCA has done a good job using ISG resources to make progress toward its overall objectives*

Within very real funding constraints the staff of the FFD have provided excellent backstopping to their two on-going programs and in seeking out and attempting to develop new country programs

*2 The reduction in the initial size of the ISG grant curtailed ACDI/VOCA's ability to explore some important aspects of achieving increased food security*

Funding was adequate for 1 85 person years of ACDI/VOCA staff to provide day-to-day backstopping to the two on-going Title II monetization programs and for limited development of new programs There was little time available for exploring issues of food security impact indicators and how ACDI/VOCA should or could undertake such analysis, monitoring and evaluation of this goal-level progress

*3 USAID's re-engineering exercise placed a considerable additional time burden on ACDI/VOCA's FFD Unit*

The program operated during a period of substantially changing USAID expectations about what the Grant was supposed to accomplish, and how The need to assist its Title II programs to conform with new USAID procedures (including those stemming from the application of Regulation 216 to Title II projects) added considerably to the FFD Unit's workload

*4 ACDI/VOCA's progress reporting was not as good as it could have been*

Quarterly progress reports were not completed, the annual progress report for Year Four has not yet been finished

5 *It has been difficult to make new monetization starts*

The difficulty in getting to the DAP stage has been a function of the need to undertake careful preliminary country analysis on-the-ground, the lack of funding in the ISG to accomplish such efforts and USAID Mission reluctance, in some cases, to support the initiation of Title II monetization projects in their country

6 *ACDI/VOCA Accomplished a considerable share of what it set out to accomplish under the ISG – imbuing ACDI/VOCA staff with the food security message and having it resonate throughout their entire program*

The most recent overall ACDI/VOCA mission statements emphasize food security objectives in a number of their country programs including those utilizing USDA Food for Progress resources and even in countries where there is no food aid at all

## B Recommendations

The following are suggested next steps derived from the analysis and conclusions in the earlier sections of this evaluation

1 *ACDI/VOCA should develop a proposal for a follow-on ISG*

There remain a large number of food insecure countries – particularly but not exclusively in Africa – which are beginning to open their agriculture-based economies to private market-driven orientations rather than the old style large-scale public participation and control. These situations seem tailor-made for application of the ACDI/VOCA food systems approach. ACDI/VOCA should seek a new ISG to provide continued USAID support for ACDI/VOCA to continue to expand to new countries (as well as to continue support for its existing programs)

2 *The next phase of ACDI/VOCA's Title II efforts in food insecure countries should emphasize working more cooperatively and extensively with other NGOs, U S , international and local, and possibly with other donors*

Two trends are relatively clear, based on the experience of the present ISG: the budget available for a new ISG will be small and quite possibly insufficient to the task of identification, appraisal, design, implementation, management, monitoring and evaluation required in what are experimental approaches with heavy emphasis on learning and applying/adapting successes elsewhere. Therefore, the time is at hand where ACDI/VOCA needs to seize the initiative to develop cooperative efforts – in selected recipient countries – with other U S PVOs and international and local NGOs, including 'community-based organizations'. The idea would be to build on each other's strengths and to share the heavy costs of developing baseline datasets which are absolutely

essential to measuring impact and effectiveness. This requires agreement on target groups and geographical areas of involvement and a willingness to share information, expertise and lessons learned. This makes sense, not only from a cost saving perspective, but in the design of more all-encompassing approaches to 'livelihood security' as the best avenue for solving the food insecurity conundrum which continues to bedevil most development programs in food insecure countries.

*3 The focus of ACDI/VOCA Title II activities should be increasingly on institutional development at the community level*

This is an area where ACDI/VOCA has much to offer, not only from its Title II experience in Uganda and Cape Verde, but also from its Malawi SADP project. The need is to energize improved understanding by participants at the local level of their own predicament and its causes so that there can be increased local participation in designing responses to problems. ACDI/VOCA's long experience with working with local producer cooperatives, enterprise associations, credit associations and a host of other locally-based cooperative endeavors makes it a 'natural' for moving to the next level – involving rapid participatory assessments, strengthened local capacities to manage their own development activities and increased sustainability.

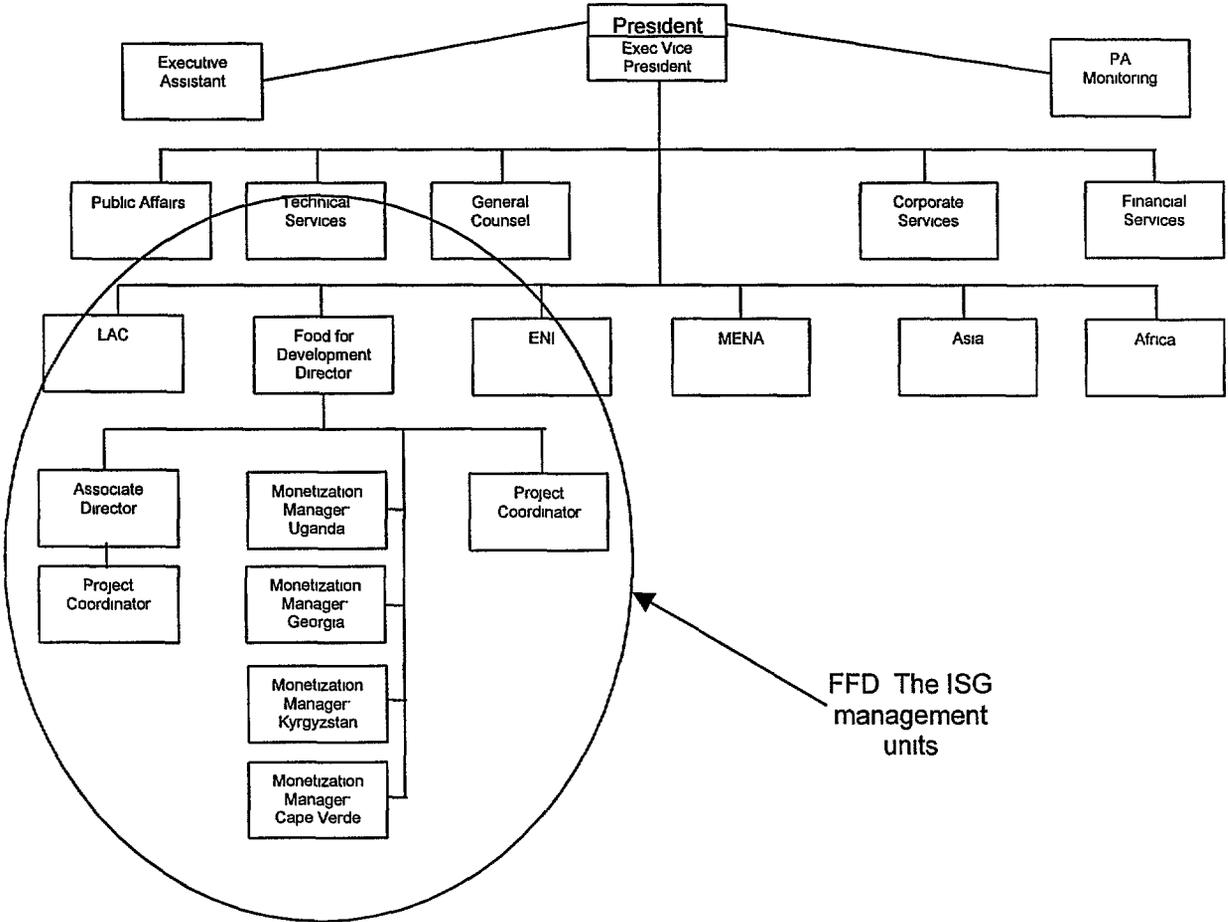
*4 ACDI/VOCA needs to keep searching for other possible sites for new monetization programs*

There is a large and obdurate reservoir of erroneous thinking about the impact of monetized food aid on recipient economies. Many, perhaps a majority of, development professionals continue to believe it capable only of harm, or of contributing more harm than good to the local economy, largely through presumed adverse impacts on local prices and producer incentives. That there is a growing body of evidence in the evaluative literature demonstrating over and over again that monetized food aid (which is, in fact, a form of commodity import support) can, almost inevitably, be designed to have no – or very minimal – adverse impact, seems to have had little if any impact on this audience. The ACDI/VOCA experience in both Uganda and Cape Verde are examples of the positive role that monetized food aid can play in appropriately selected countries and in carefully designed monetization projects. More examples are needed. Further, much better reporting on the success and lessons learned from these and other programs is needed. The professional journals need more articles on the utility of food aid in food deficit poor countries, and university courses in development economics need to include documented case studies of food aid projects, including monetization programs, to present to their graduate students. USAID needs this to help make its case for continued food aid budgets and for added funds for ISG-type support to PVO food aid programs so that they can not only improve performance over time, but can also do a more fulsome job of reporting on it. Therefore, ACDI/VOCA must, in the context of a new ISG, continue to seek out new Title II monetization program possibilities and capitalize on them in the form of carefully prepared and justified DAPs which are so cogently argued that no thoughtful USAID Mission Director could possibly oppose them.

The above are but a few of the possible recommendations that could help guide ACDI/VOCA's preparation for the next ISG. There are a number of other possible recommendations that could be made to help build on the modest but important – and still only partial – successes achieved under the ACDI/VOCA Title II monetization efforts over the 1994-98 period. These must await preparation of the Proposal for the next ISG.

## V Annexes

**Annex A ACDI/VOCA Organizational Chart**



**Annex B**

**ACDI/VOCA Outcomes supported by, stemming from or influenced by the ISG, by country**

Country	Outcome
Bosnia	<ul style="list-style-type: none"> <li>• Title II monetization feasibility study</li> </ul>
Cape Verde	<ul style="list-style-type: none"> <li>• Formation of private sector watershed development associations</li> <li>• Food Needs Assessment</li> <li>• Improved use of monetized Title II in support of natural resource and food security objectives</li> <li>• Private sector marketing of Title II commodities</li> <li>• Technical Assistance leading to improved food security agenda</li> <li>• Feasibility study in preparation for the DAP</li> <li>• DAP with a food security focus</li> <li>• Monitoring and Evaluation Plan</li> <li>• Preliminary work on Section 216 report</li> <li>• Case Study on Cape Verde Title II program</li> <li>• Training of ACDI/VOCA country representative</li> </ul>
Eritrea	<ul style="list-style-type: none"> <li>• Feasibility study for a Title II monetization program</li> </ul>
Gaza/Jerico	<ul style="list-style-type: none"> <li>• Title II monetization proposal</li> </ul>
Georgia	<ul style="list-style-type: none"> <li>• Former ISG Food Aid Coordinator utilizing training received under ISG to operate a USDA Title I Food for Progress monetization program in Georgia which is helping to strengthen the private sector components of the food system in that country at a time of recovery from civil war</li> </ul>
Kyrgyz Republic	<ul style="list-style-type: none"> <li>• FFD assisted in establishing the Osh Farmers Credit Association</li> </ul>
Malawi	<ul style="list-style-type: none"> <li>• Title II monetization concept paper</li> </ul>
Russia	<ul style="list-style-type: none"> <li>• Food for Development Division collaborating on a proposal for a Western Russia poultry project</li> </ul>
Rwanda	<ul style="list-style-type: none"> <li>• Monetization Program</li> </ul>
Uganda	<ul style="list-style-type: none"> <li>• Liberalization of Uganda's edible oil market</li> <li>• Capitalization and strengthening of the Uganda Cooperative Bank</li> <li>• Redesign of the program increasing its food security impact</li> <li>• Feasibility study leading to new DAP</li> <li>• DAP with emphasis on food security</li> <li>• Monitoring and Evaluation Plan</li> </ul>

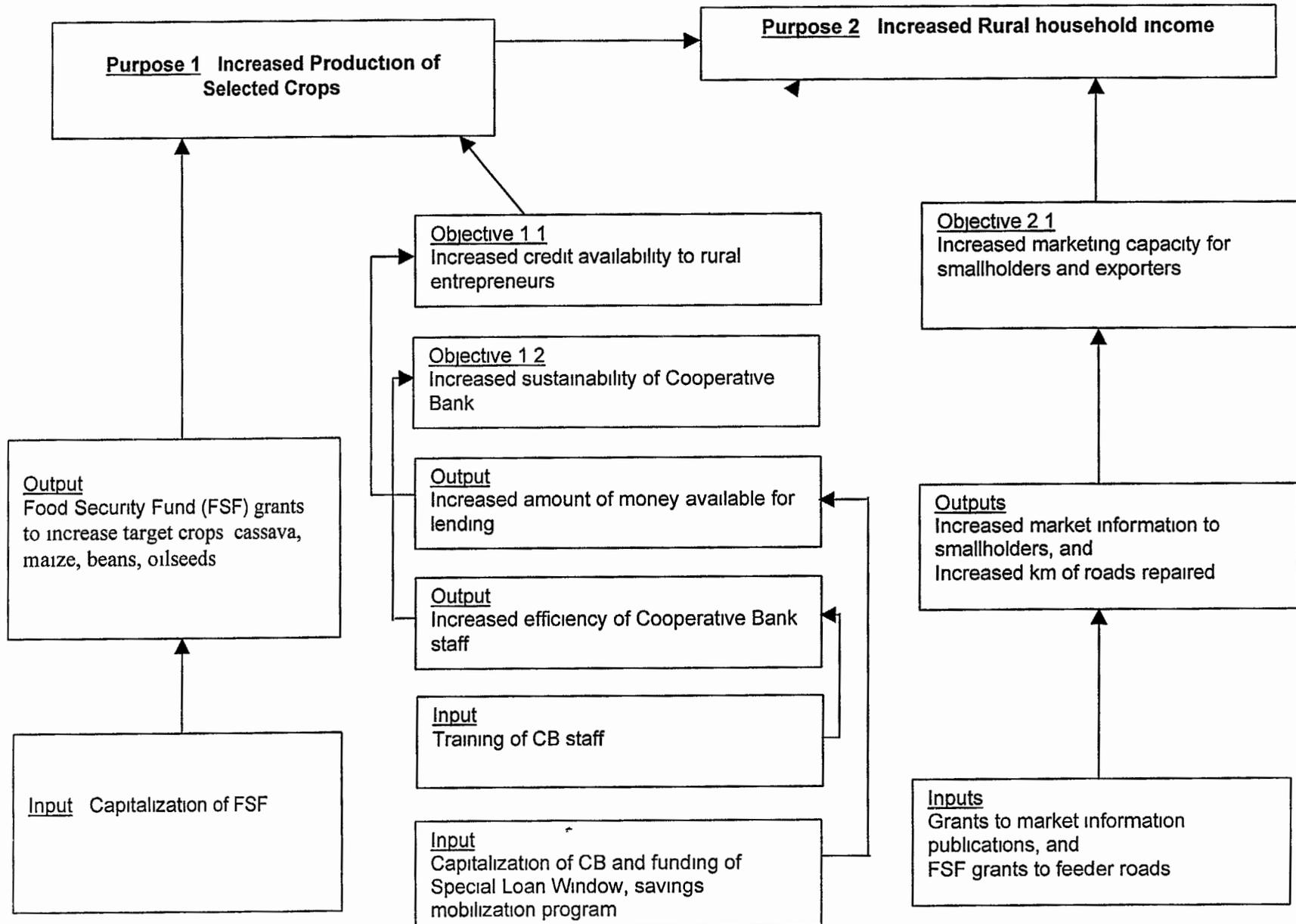
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## Annex C Project operating funds tracking system

<i>Line Item</i>	<b>Budget</b>		<b>Expenses</b>			<b>Balance</b>
	<i>Project total</i>	<i>Obligated</i>	<i>Prev Obs</i>	<i>Current Obs</i>	<i>Total</i>	<i>Unutilized</i>
Salaries	307 500	256 533		202 989	202 989	53 544
Payroll added costs	116 850	89 131		76 367	76 367	12 764
Travel/Transportation	25 000	38 130		28 254	28 254	9 876
Consultants	0	22 440		19 762	19 762	2 678
Training	7 000	5 159		2 321	2 321	2 838
Other Direct Costs	1 190	2 825		5 272	5 272	-2 447
Evaluation	0	4 000		6 320	6 320	-2 320
<b>Total Direct Costs</b>	<b>457 540</b>	<b>418 218</b>	<b>0</b>	<b>341 285</b>	<b>341 285</b>	<b>76 934</b>
Overhead @ 36.6%	167 460	153 068	0	124 910	124 910	28 158
<b>Total Costs</b>	<b>625 000</b>	<b>571 286</b>	<b>0</b>	<b>466 195</b>	<b>466 195</b>	<b>105 091</b>

# Annex D ACDI/VOCA's Hierarchy of Objectives Uganda Title II Program

Goal of ACDI/VOCA PL 480 Increased household food security



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Author Virginie Carey at AV-DC  
Date 3/30/98 1 40 PM  
Priority Normal  
Receipt Requested  
TO Lee Smith  
Subject Re HQ Phone & Address List

Lee

Just to make sure you have my new address right?

Virginie Carey

THANKS for updating this list I use mine all the time!

--vnc

Reply Separator

---

Subject HQ Phone & Address List  
Author Lee Smith at AV-DC  
Date 3/30/98 10 07 AM

We have completed the HQ Home Phone & Address List and are preparing it for circulation to all HQ staff

If you do not want your home phone listed please email me by Wednesday, April 1, 1998

Lee

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# PROJECT OPERATING FUNDS TRACKING SYSTEM

Current Obligated Period - Year to Date Expenses

CAPE VERDE - P L 480 TITLE II

10/96-9/97

Amy Volz

Date of Last Field Report Entered (mm/yy)

DATE

(\*) Actual Burn Rates for the Month of

Oct 97

Should Equal

146.17%

03/30/98

BUDGET, CURRENT OBLIGATED PERIOD (5/1/1995 - 6/30/1996)		EXPENSES				YTD	ACTUAL BURN	10%
Line Items	Amounts	YTD Exp	Accruals	Field Reports	Total	REMAINING	RATES (*)	Alarm
Salaries	90 800	106 854	(1 894)	0	104 960	(14 160)	115 6%	✓
Payroll Added Costs	37,799	36 615	0	0	36 615	1 184	96 9%	✓
Travel	12 550	8 583	0	0	8 583	3,967	68 4%	✓
Procurement	8 000	8 002	0	0	8,002	(2)	100 0%	✓
Consultant	84 500	73 493	0	0	73,493	11 007	87 0%	✓
Other Direct Costs	3,000	4 679	0	0	4,679	(1,679)	156 0%	
Monitoring and Evaluation	9 130	10 371	0	0	10 371	(1,241)	113 6%	✓
Environmental Conference	56 235	2,667	53 568	0	56 235	0		
<b>TOTAL DIRECT COSTS</b>	<b>302,014</b>	<b>251,263</b>	<b>51,674</b>	<b>0</b>	<b>302,937</b>	<b>(923)</b>	<b>100 3%</b>	<b>✓</b>
Indirect Costs @ 36 6%	110 537	91 962	18,913	0	110,875	(338)	100 3%	✓
<b>TOTAL ACDI &amp; SUBCONTRACTORS COSTS</b>	<b>412,551</b>	<b>343,225</b>	<b>70,587</b>	<b>0</b>	<b>413,812</b>	<b>(1,261)</b>	<b>100 3%</b>	<b>✓</b>

Project Officer Signature

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