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USAID
Agribusiness
Project

Performance Monitoring Plan

June 5, 2008

Introduction

This document describes a comprehensive approach to USAID Agribusiness Project's Performance Monitoring Plan (PMP), building upon the framework outlined in DAI's proposal and Year One Workplan. The performance monitoring system is the foundation of the project's communications strategy and its internal monitoring and evaluation system. This system will allow USAID Agribusiness Project staff to build on winning initiatives and take corrective action when results are less successful than anticipated. An adaptive management strategy will facilitate replication of successes and, thereby, expedite achieving the desired results of USAID Agribusiness Project. The system is used to compile and track performance monitoring information, including indicators required by USAID/Serbia, as well as qualitative information, such as anecdotal experiences, which can be published as success stories. The PMP:

- Meets all USAID/Serbia and USAID/Washington reporting needs, enabling USAID Agribusiness Project management to report to USAID total sales of targeted products for every dollar in award funds;
- Functions as the project internal monitoring and evaluation system, assisting USAID Agribusiness Project staff and USAID to manage and prioritize project investments;
- Consolidates and distributes standardized information on the performance of targeted value chains (elements of the PMP can remain beyond the life of the project); and
- Shares lessons learned on best practice models that can be replicated.

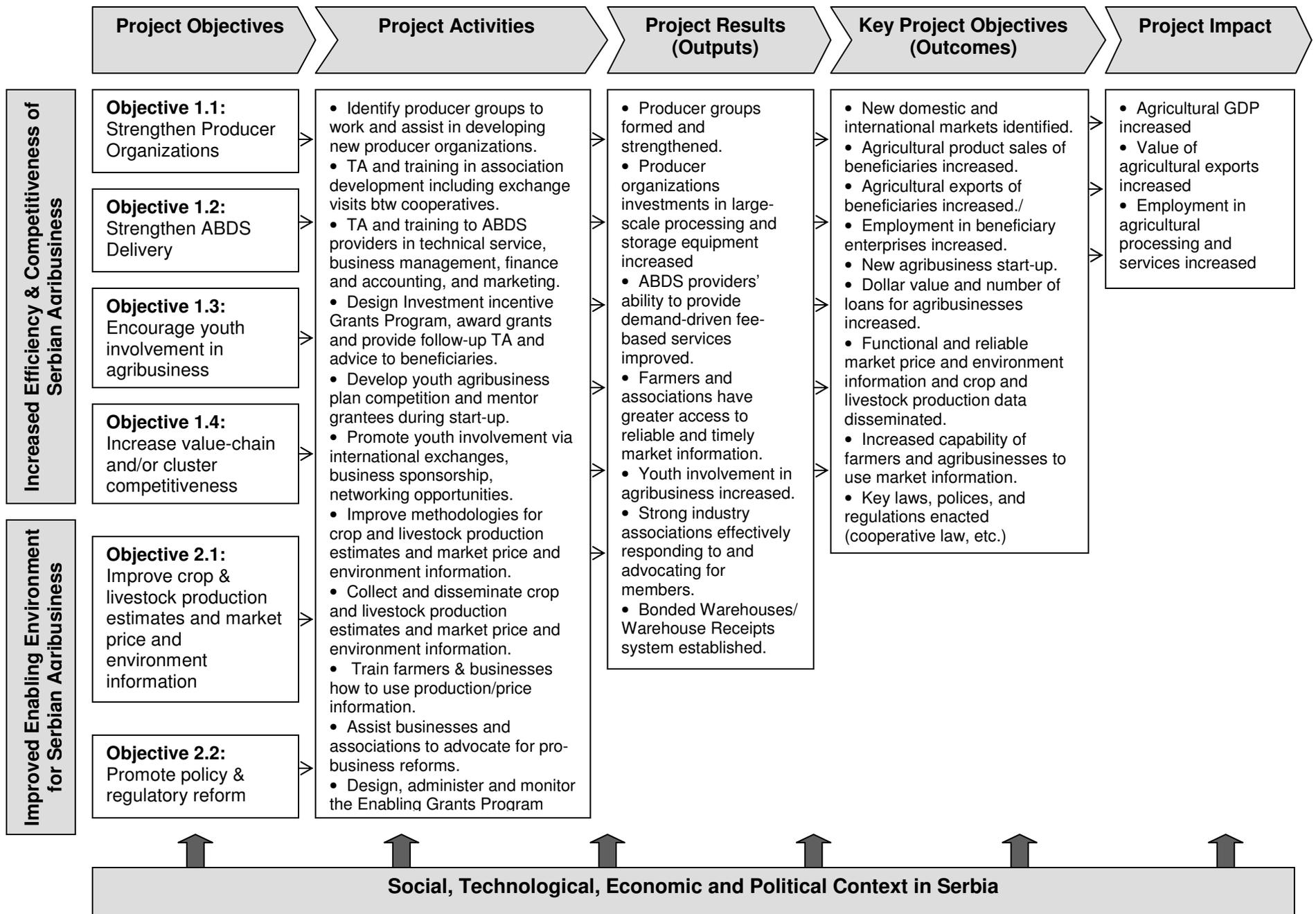
The PMP is divided into three main sections. Following this introduction is a section on the causal model that shows the relationship between project activities, outputs, outcomes and impact. Next section provides a description of the proposed project level indicators, including the rationale behind each one and a brief description of how they will be captured and used. The final section deals with management of the PMP.

PMP Framework

The proposed approach to performance monitoring is based on a causal chain that links project activities to USAID/Serbia's Foreign Assistance Strategy. Figure H-1 shows the relationships between the USAID Agribusiness Project's activities and targeted results.

In this causal chain, the three **project objectives** lead to **project activities**. The **project activities** will produce, in the first instance, **project results (outputs)**, such as new technologies and methodologies adopted by farmers, links established or improved between value chain actors, small producers, and financial service providers, etc. These outputs, in turn, will lead to positive **key project objectives results (outcomes)**. These outcomes have largely been defined by USAID/Serbia in the RFP. Ultimately, the project outcomes lead to **project impact**. The overall impact of the USAID Agribusiness Project will be a stronger agricultural sector with Serbian producers able to compete more effectively in domestic and global markets and increased household income of Serbian farmers.

FIGURE H-1: PMP FRAMEWORK



Project-Level Indicators

The project-level indicators for the PMP are divided into the following categories:

- USAID Standard F Indicators
- Overarching Project Level Indicators
- Component 1: Increased Efficiency and Competitiveness of Serbian Agribusiness
 - Objective 1.1: Strengthen Producer Organizations
 - Objective 1.2: Improve ABDS Delivery
 - Objective 1.3: Encourage youth involvement in agribusiness through the Youth Enterprise Program
 - Objective 1.4: Increase value-chain and/or cluster competitiveness
 - Investment Incentive Grants to support Objectives 1.1, 1.2, 1.3 and 1.4
- Component 2: Improved Enabling Environment for Serbian Agribusiness
 - Objective 2.1: Improve Crop and Livestock Production Estimates and Market Price Information
 - Objective 2.2: Promote Legal, Policy, and Regulatory Reform
 - Enabling Grants to support Objectives 1.4, 2.1 and 2.2

Following is a brief overview of the indicators for each of these project objectives. These indicators are further defined, including targets and data collection methodology, in the Attachment 1.

USAID Standard F Indicators

USAID/Serbia has recommended the following performance indicators to measure the results generated through the support provided by USAID Agribusiness Project. Data collection methodology will include the Data Quality Assessment, as well as other tools provided by USAID/Serbia. The envisioned results and targets attributable to USAID Agribusiness Project are as follows:

- Percent change in value of international exports of targeted agricultural commodities as a result of USG assistance; target: 15% international export increase in 2008 for the agricultural commodities assisted by USAID Agribusiness Project
- Number of producer organizations, water user associations, trade and business associations, and community-based organizations (CBOs) receiving USG assistance; target: 15 organizations assisted by USAID Agribusiness Project in 2008
- Number of agriculture-related firms benefiting directly from USG supported interventions; target: 30 agriculture-related firms benefiting directly thanks to USAID Agribusiness Project interventions

Overarching Project Level Indicators

While a number of indicators can be attributed to particular interventions, several higher level indicators will result from a combination of technical assistance, training, and grants that span across objectives. The following we consider to be overarching project indicators:

Overarching Project Indicators	Narrative Description
Percent change in agricultural GDP (to be compared with the GDP's in the neighboring countries e.g. Bosnia, Macedonia, Croatia, Bulgaria, etc.)	Because GDP is one of the most important measures of production in the Serbian economy, it is important to measure all production of agricultural commodities, which includes all crop, livestock, and fisheries activities. In 2005 Serbian agricultural GDP was \$4.25 B, and in 2006 it reached \$4.79 B. However, the agricultural GDP has fallen down for 11.8% to \$4.23 B in 2007 [^] , thus the projections given in the PMP are very conservative. USAID Agribusiness Project has also taken into account a dynamic political environment in Serbia, which as such may generate unexpected macroeconomic indicators.
Percent change in the value of agricultural exports (disaggregated by export market and commodity)	Three groups of goods dominate Serbia's agricultural exports: fruits and vegetables (33%), particularly raspberries; cereals and their processed products (26%), particularly maize; and sugar and confectionery products (16%). Higher unit prices of agricultural and foodstuff products in import than in export shows that Serbia continues to export goods of lower processing level and import higher value added products. USAID Agribusiness Project will work with producer groups and businesses to continue the agricultural export growth trend likewise in the previous years (2005: \$909M; 2006: \$1.25B; 2007: \$1.67B) [^] .
Actual increase in employment in agricultural processing and services (disaggregated by the gender of new employees, type of employment, sub-sector, and geographic region)	A key objective of USAID Agribusiness Project, increasing employment in target agricultural processing and services is important to promoting development in Serbia. Focusing on entire value chains which will lead to increased employment in competitive value chains in areas such as input supply, processing, marketing, etc. Employment calculations will include assessments of full-time, part-time, and seasonal employment to arrive at total number of jobs, which is projected at 10,000 new jobs in 2012 (cumulative). Enterprises will include commercial farms and firms along the value chain, such as input suppliers, processors, buyers, exporters, etc.
Dollar value change in agricultural product sales of USAID Agribusiness Project beneficiaries (disaggregated by geographic region and commodity)	USAID Agribusiness Project will work with producers and farmer groups to improve production practices, post-harvest handling, packaging, and marketing with the objective of increasing the total value of agricultural product sales of Serbian farmers and firms.

NOTE: National Bureau for Statistics publishes GDP data annually, and six months after the end of calendar year (Serbian fiscal year). Also, the agricultural export data are published on an annual basis as a summary report, but some row figures might be available on a quarterly basis. USAID Agribusiness Project staff shall make all efforts to obtain these data as soon as available, but USAID should be aware of the reporting constraints related to these two indicators whereas USAID Agribusiness Project staff has no control over the reporting timing whatsoever. USAID Agribusiness Project has established official communication channel with the National Bureau for Statistics to assure professional and timely information exchange.

[^] Source: National Bureau for Statistics

Component 1: Increased Efficiency and Competitiveness of Serbian Agribusiness

Objective 1.1: Strengthen Producer Organizations

Once the USAID Agribusiness Project team has carried out the rapid sub-sector assessments and developed commodity action plans, both existing and nascent groups of farmers and/or agribusiness-related firms will be assisted to work together to become effective service providers for their members and evolve into sustainable business enterprises. This includes training and technical assistance in association development (devising new by-laws, formulating governance and management oversight, identifying and developing fee-based member services), association management, finance and accounting, improved production, processing and marketing.

Objective 1.1 Indicators	Narrative Description
Number of producer organizations assisted as part of the USAID Agribusiness Project (disaggregated by geographic region, sub-sector, age of organization, and the size of producer organizations i.e. number of members)	It will be necessary for farmers to learn to work together to achieve economies of scale in terms of input purchases and product sales. A key focus of USAID Agribusiness Project will be to work with existing producer organizations and help to establish new ones with the objective of helping them to become sustainable, financially viable business enterprises.
Number of new members joining USAID Agribusiness Project-assisted producer organizations (disaggregated by gender and geographic region).	A prime indicator of an organization's success is its ability to attract and retain new members.
Total dollar value of member sales through USAID Agribusiness Project-assisted producer organizations (disaggregated by gender and market i.e. domestic/international)	A major reason that producers benefit from collective action is the ability to capitalize on economies of scale and access new markets for their goods by selling in larger quantities to meet buyer requirements.
Average Score of assisted producer organizations on the Organizational Capacity Assessment Tool	This indicator is an overarching tool that scores civil society and community-based organizations along 7 dimensions that are critical to effective organizations (governance, management practices, human resources, financial resources, service delivery, external relations, and sustainability). Each dimension is scored along a 5 -point scale, where 1= needs urgent attention, all the way to 5 = good, needs maintaining. Then all the dimension totals will be added together to get the response entities' final score for the year.

Objective 1.2: Improve ABDS Delivery

USAID Agribusiness Project will assist ABDS providers to strengthen their operations and promote the establishment of new ABDS firms to provide in-demand services to firms along the value chain. The USAID Agribusiness Project team will identify initial ABDS providers and assist them to strengthen the quality and range of services offered. The USAID Agribusiness Project team will also identify opportunities for new ABDS providers, and assist promising entrepreneurs interested and willing in starting up new ABDS enterprises. USAID Agribusiness Project will focus on four primary areas of service delivery: technical services, including firms to adopt new technologies and practices to promote increased productivity and efficiency; management services to assist firms to develop business and operational plans, strategies, and new ways of working; financial services to train firms in accessing credit and managing their financial accounting systems; and marketing services to support firms in identifying and capitalizing on new market opportunities both at home and abroad and to finalize new sales. USAID Agribusiness Project will complement assistance to ABDS providers with technical assistance to the agribusinesses in accessing the financial institutions.

Objective 1.2 Indicators	Narrative Description
Number of Agribusiness Development Service (ABDS) firms benefiting directly from USAID Agribusiness Project assistance (disaggregated by the gender of owner or general manager, type of ABDS, and geographic region)	ABDS firms provide a range of services to firms and farmers, including technical assistance adopting new technologies and practices, management and financial consulting to strengthen business practices, and marketing assistance to promote client firm sales. This will measure the number of firms working with the project.
Number of new ABDS started with USAID Agribusiness Project assistance (disaggregated by the gender of owner or general manager, type of ABDS, and geographic region)	In areas where agribusiness development service firms do not exist, USAID Agribusiness Project will assist partners to identify market opportunities for starting up new ventures that respond to local business needs. This will measure new ABDS firm creations.
Total dollar value of new revenues generated from ABDS providers as a result of USAID Agribusiness Project assistance (disaggregated by the gender of owner or general manager, type of ABDS, type of service, and geographic region)	ABDS providers will be sustainable when they are able to identify and offer a range of in-demand services that firms are willing to pay for. USAID Agribusiness Project will only count new revenues for this indicator to account for the direct contribution that USAID Agribusiness Project activities make.
Client satisfaction rating by firms of the availability and quality of agribusiness development services by region (disaggregated by the gender of owner or general manager, type of firm, and geographic region)	Client satisfaction measures are useful for gauging, from the perspective of different beneficiary groups, the value and impact of assistance. Client satisfaction is measured on a five point scale, and clients are asked to rate each type of service provided (training, technical assistance, marketing, advocacy, etc.), and to provide an overall summary score (1 to 5) on their overall satisfaction with the package of services received. With these ratings, USAID Agribusiness Project will be able to assess to what extent the team is adeptly identifying unmet needs and assisting the private sector respond to these needs.
Number of producers/ processors who have received credit as a result of USAID Agribusiness Project assistance (disaggregated by the gender of borrower, lending institution, sub-sector, and geographic region)	Access to financial services is critical to assisting farmers and firms to make investments in their businesses. USAID Agribusiness Project will provide technical assistance to farmers and firms, and promote the loans to the agricultural sector.
Total dollar value of credits received by producers/ processors as a result of USAID Agribusiness Project assistance (disaggregated by the gender of borrower, lending institution, sub-sector, and geographic region)	Access to financial services is critical to assisting farmers and firms to make investments in their businesses. By assisting financial service providers and training loan officers, USAID Agribusiness Project will strengthen the lending community's ability to make profitable loans to the agricultural sector.

Objective 1.3: Encourage Youth Involvement in Agribusiness through the Youth Enterprise Program and Business Plan Competition

It is a challenge to attract and retain Serbian youth in agriculture and agribusiness. The Youth Enterprise Program intends to address this issue by encouraging youth participation in the USAID Agribusiness Project through exchanges and networking opportunities with international universities and organizations, and the development of a 4H program and Young Serbian Farmers' Association. The Business Plan Competition will, in turn, provide promising young entrepreneurs with assistance to develop business and investment plans and startup and expansion grants.

Objective 1.3 Indicators	Narrative Description
Number of youth who have received technical assistance from USAID Agribusiness Project (disaggregated by gender, type of technical assistance, and geographic region)	Youth are defined as young adults between the ages of 15-24. USAID Agribusiness Project will provide a range of technical assistance, including assistance in developing proposals, work plans, strategies, and management processes; production assistance to young farmers/future entrepreneurs through mentorship with US universities; and sector certification program for young entrepreneurs, and participation in 4H or other programs.
Number of Business Plan Competition winners (disaggregated by the gender of owner or general manager, and geographic region)	The Business Plan Competition will provide an impetus to young entrepreneurs to refine their business ideas and acquire the capital necessary to make it happen. There will be four annual competitions (none in year five).
Number of youth-led businesses participating in USAID Agribusiness Project (disaggregated by the gender of owner or general manager, sub-sector, and geographic region)	In addition to the winners of the Business Plan Competition, USAID Agribusiness Project will provide assistance to young farmers/entrepreneurs within the selected sub-sectors; this assistance will include technical assistance, training programs, management capacity building, grants (other than the Youth Enterprise Grants), market study tours and fairs, etc.
Number of youth-led successful/operational businesses initiated thanks to USAID Agribusiness Project (disaggregated by the gender of owner or general manager, sub-sector, and geographic region)	USAID Agribusiness Project will establish a record of successful youth-led businesses initiated thanks to the Project. Youth/Gender Director and M&E/Grants Department will determine an appropriate mechanism to measure successfulness of the youth-led businesses supported through the Project, which will include, but not limited to: governance, management practices, human resources, financial resources, service delivery, external relations, advanced technology implementation, sustainability, etc.

Objective 1.4: Increase Value-Chain and/or Cluster Competitiveness

USAID Agribusiness Project will utilize the grants and technical assistance to promote the project’s objectives of rapid, sustained, broad-based economic growth. These activities will be leveraged to address market failures hindering firms from investing in new technologies, international food safety and quality standards, expanding their facilities, or purchasing services.

Objective 1.4 Indicators	Narrative Description
Number of farmers and firms accessing new technologies that enhance productivity, production, and quality with the support of Investment Incentives Grants (disaggregated by the gender of owner or general manager, type of technology, and geographic region)	USAID Agribusiness Project will assist farmers and firms to buy down risk and take the opportunity to make investments that enhance their productivity and ultimately contribute to profitability by introducing a new technology. The leverage point for this assistance would be rather at the producer organizations or a sub-sector association’s level as to achieve a greater impact of such new technology. The goal will be to have as many producers as possible covered by a new technology.
Number of international food-safety, quality and environmentally friendly certificates (HACCP, Global GAP, ISO, Organic, etc.) introduced to and/or adopted by agribusinesses thanks to USAID Agribusiness Project (disaggregated by the sub-sector and the type of certificate)	USAID Agribusiness Project will develop technical assistance packages aimed at improving the level of productivity, reducing the cost of production, post-harvesting losses, improving product quality and marketability and improving farm enterprise management through introduction of international food-safety, management and quality standards.

Investment Incentive Grants to support Objectives 1.1, 1.2, 1.3 and 1.4

USAID Agribusiness Project will utilize the Investment Incentive Grants to promote the project's objectives of rapid, sustained, broad-based economic growth. These grants will be leveraged to address market failures hindering firms from investing in new technologies, expanding their facilities, or purchasing services. The Investment Incentive Grants program does not aim to displace the market or promote investments that would have been made, but rather to assist firms to buy down risk and take the opportunity to make investments that enhance their productivity and ultimately contribute to profitability.

Investment Incentive Grants Indicators	Narrative Description
Number of investment incentive grants disbursed under USAID Agribusiness Project (disaggregated by the gender and age of grantee, type of grant, and geographic region)	It is envisioned that USAID Agribusiness Project will disburse a minimum of 10 grants per year to eligible firms who receive competitively awarded grants, plus project sponsored innovation grants. There are four award categories: 1) producer organization grants; 2) enterprise expansion grants; 3) agribusiness start up grants; and 4) youth enterprise grants.
Dollar value of investment incentive grants disbursed under USAID Agribusiness Project (disaggregated by the gender and age of grantee, type of grant, and geographic region)	All grants will be cost shared, requiring a minimum of 40% contribution in the case of start-up grants to 65% contribution for producer organization grants. Youth enterprise grants may receive up to 100% financing. The dollar value presented is an estimate; the actual value will be balanced with the enabling grants total.

Component 2: Improved Enabling Environment for Serbian Agribusiness

Objective 2.1: Improve Crop and Livestock Production Estimates and Market Price and Environment Information

An accurate, user friendly, up to date, and widely available agricultural management information system is a critical component to assisting Serbian farmers and businesses to make production, pricing, and marketing decisions. USAID Agribusiness Project will work with the MAFWM and Bureau of Statistics to improve data collection and dissemination procedures and to strengthen the capacity of producers and firm managers to utilize production and price information when making business decisions.

Objective 2.1 Indicators	Narrative Description
Reliable crop/livestock production, in-country consumption and market price information system operating within the MAFWM	The MAFWM and Bureau of Statistics currently operate STIPS, a market information system that could be strengthened with more consistent data collection methodologies and an expansion of the type of data collected (in-country supply and demand balances per commodities, international trade data and data on external reference prices). System must be user friendly and enable more producers and enterprises to "make better business decisions." This indicator will measure the quality impact through an annual or semi-annual client satisfaction survey.
Surveys of USAID Agribusiness Project's focal sub-sectors implemented in conjunction with the MAFWM and with FAO support	A national agricultural census has not been carried out in 10 years. USAID Agribusiness Project will assist the MAFWM to carry out discrete studies on each of the sectors that USAID Agribusiness Project is working on that is congruent with the Serbian Agricultural Strategy to ensure better baseline information for each of the sub-sectors or specific agricultural issues.
Number of producers, firms and producer organizations trained in the use of market information, production and in-country consumption data for strategic planning, farm	A market information system is only valuable if users are trained in how to access and use the information in the system to make better business decisions. The producer organizations will be the primary target for training, since they can further extend accrued knowledge.

management, and business decision making (disaggregated by the gender of trainee, type of training, and geographic region)	Training outcome will be measured not only by the number of associations/producers trained, but also by the number of seminars/workshops organized.
Introduction of an operational Environmental Information System (EIS)	The Environmental Protection Agency of Republic of Serbia, registered as National Reference Center for Agriculture by European Environment Agency is going to establish an Environmental Information System to collect, assess and analyze environmentally-related data at national and regional levels. The goal is to provide access to sound, science-based information necessary for implementation of the environmental principles among producers, ABDS providers and policymakers. The system will facilitate efficient control, monitoring, planning, audit and review of the activities in the agricultural sector. Thanks to the system's parameters related to the data about land quality, usage of agricultural inputs and agro-chemicals (fertilizer and pesticides), population, labor force, macro-economic aggregates and development assistance, all agricultural stakeholders will have access this kind of data, which do not exist at the moment. USAID Agribusiness Project will measure qualitative impact of this system through an annual or semi-annual client satisfaction survey.

Objective 2.2: Promote Legal, Policy and Regulatory Reform

USAID Agribusiness Project will support legal, policy and regulatory reform efforts that directly impact agribusiness competitiveness. In this context, USAID Agribusiness Project shall focus on working through local counterparts, such as the Standing Conference of Towns and Municipalities (SCTM), the National Alliance for Local Economic Development (NALED), local advocacy groups, cooperatives, business and industry associations to effect policies and procedures. USAID Agribusiness Project shall also support specific public/private initiatives to improve the application of key laws, institutions and policies related to agribusiness competitiveness, and the formulation and application of international policies such as agriculture-related EU and WTO agreements.

Objective 2.2 Indicators	Narrative Description
Number of strategy papers prepared on policy related issues as a result of USAID Agribusiness Project activities (disaggregated by the type of reform/policy, EU and/or international principles and rules, and sub-sector).	USAID Agribusiness Project has already identified a number of policy areas that need to be addressed by the Government in order to expand economic growth in the agricultural sector. Others will arise during the Project activities. Strategy papers addressing the policy related issues for the purpose of ensuring compliance with the EU regulations will be of primary interest for the USAID Agribusiness Project. The Project expects to provide its contribution, inter alia, in the following areas: food safety, plant health, veterinary matters, warehouse receipts, protection of plant varieties, development of cooperatives, etc.
Number of draft laws or regulations prepared to address identified policy issues as a result of USAID Agribusiness Project assistance (disaggregated by the type of reform/policy, EU and/or international principles and rules, and sub-sector).	This will be the numbers that are formally put forward for legislation/decrees. Laws and regulations addressing policy issues but also enabling harmonization with the EU and/or international practices will be of primary interest for the USAID Agribusiness Project.
Number of policy and regulatory reforms implemented as a result of USAID Agribusiness Project assistance (disaggregated by the type of reform/policy, EU and/or international principles and rules, and sub-sector).	This will be the numbers of laws or regulations adopted by the Government and/or Parliament and subsequently fully implemented.

Enabling Grants to support Objectives 2.1 and 2.2

USAID Agribusiness Project will utilize the Enabling Grants to support for profit and not for profit non-governmental organizations' advocacy and reform efforts, and facilitate public-private partnership dealing with the policy issues.

Objective 2 Grants Indicators	Narrative Description
Number of enabling grants disbursed under USAID Agribusiness Project (disaggregated by the type of grantee, and the purpose of a grant)	These grants will be used to fund surveys, support to associations, group activities, public good technical assistance, etc.
Dollar value of enabling grants disbursed under USAID Agribusiness Project (disaggregated by the type of grantee, and the purpose of a grant)	The dollar value presented is an estimate, which needs to be balanced with the Investment Incentive Grants.

Management of the PMP

Slavenko Djokic, the Monitoring and Evaluation Specialist, in coordination with the COP, is responsible for implementing this plan. USAID Agribusiness Project will collect, analyze, and report on data via four primary methods: 1) project data collected by USAID Agribusiness Project staff and entered into DAI's Technical and Administrative Management Information System (TAMIS) on a daily basis or weekly in the case of some activities; 2) a quarterly client impact survey using the questionnaire developed by the Project's Grants/M&E staff; the first survey will be conducted in September 2008; 3) an annual client satisfaction and impact survey, using the questionnaire developed by the Project's Grants/M&E staff; and the survey conducted by using the OCAT; and 4) grantee reporting requirements that clearly link grant funding, dollar for dollar, to project results. On a quarterly basis in roundtable meetings with stakeholder groups, USAID Agribusiness Project will present progress against targets, request feedback on USAID Agribusiness Project performance and, on an annual basis, plan sector initiatives for the coming year in collaboration with Partners and USAID. This will provide important inputs for USAID Agribusiness Project's Annual Workplan.

Technical Assistance Management Information System

On a daily basis (weekly in the case of some activities), USAID Agribusiness Project staff will be required to enter all project activities into TAMIS. DAI's TAMIS integrates workplan management, impact and performance monitoring, and project administration into one easy-to-use information system customized to the details of the annual workplans developed for USAID Agribusiness Project. In addition to specifying, tracking, and timing resource allocation, TAMIS will compile and sort information pertinent to each task. The key to the efficiency of TAMIS is that all data and information required for implementation and monitoring are entered only once by staff into a single database as part of routine work, eliminating the need for separate monitoring efforts. TAMIS provides up-to-date implementation information that:

- Tracks workplan progress toward agreed upon milestones and implementation, including records of meetings, assignment of follow-up actions, and schedules for training and workshops;
- Tracks grants;
- Monitors performance of partners—farmers, producer groups, agribusinesses, associations—against established performance indicators;
- Reports progress by region or specific site by linking the TAMIS databases to a Geographical Information System. This enables us to be readily able to provide maps and other graphics that help our partners visualize performance and impact of SNAGA and our partners.

- Monitors achievement of performance indicators used to meet USAID/Serbia's objectives; and
- Generates reports and documentation required under the F-Process.

The performance monitoring and evaluation module is an integral component of TAMIS and will allow continual status updates on progress made on performance milestones and indicators that contribute to USAID/Serbia's objectives. Through the Internet, USAID/Serbia can monitor progress on a regular basis without lengthy and burdensome reporting requirements. Moreover, as the project evolves and participants' information requirements change, further adaptation of the system can be made.

Quarterly and Annual Client Surveys

Client impact and satisfaction surveys are efficient tools for measuring results and getting feedback from our primary partners: businesses and farmer organizations. **Client impact** surveys can be done cost effectively and efficiently, yielding rich information for USAID and USAID Agribusiness Project management. For the quarterly income and sales surveys, data can be collected in approximately two weeks, while the annual larger impact and satisfaction surveys will entail around one month of data collection for a sample set of firms and organizations across the country. Technical Advisors and Sub-sector Leads will advise Monitoring and Evaluation Team about the firms and organizations that should be covered by the survey for each quarter. These types of surveys enable project management and USAID to collect quantitative data on production and income changes, as well as qualitative success stories useful for sharing results to a wider audience. Firms will be obligated to share sales data (emphasizing that the identity of each firm will remain confidential) as part of the agreement to work with the Project.

Client satisfaction measures are useful for gauging, from the perspective of different beneficiary groups, the value and impact of assistance. Client satisfaction is measured on a five point scale, from 1 = extremely dissatisfied to 5 = extremely satisfied. Clients are asked to rate each type of service provided (training, technical assistance, marketing, advocacy, etc.), and to provide an overall summary score (1 to 5) on their overall satisfaction with the package of services received. USAID Agribusiness Project will therefore be able to report on client satisfaction by each type of service as well as overall satisfaction with the program as a whole (for example, USAID Agribusiness Project can calculate the percentage of firms report that they are extremely satisfied with the training that they have received, and the percentage that are extremely satisfied overall). With these ratings, USAID Agribusiness Project will be able to assess to what extent the team is adeptly identifying unmet needs in communities and assisting the private sector respond to these needs.

The **Organizational Capacity Assessment Tool (OCAT)** has been a critical tool used by DAI to implement development programs across the globe. This instrument, based on the version developed by PACT, measures change over time within organizations. It measures an organization's relative strengths and weaknesses, and provides baseline information needed to develop capacity building activities. Through OCAT, specific interventions can be tailored to each organization, strengthening its capacity over time, and providing the means to measure progress. OCAT has been used by DAI to assess various types of organizations (with modification) including agricultural producer organizations, other NGOs, local government offices/ministries, and commercial enterprises, and it is adjusted to serve the needs of USAID Agribusiness Project in Serbia. The tool measures each organization across 7 variables: 1) Internal Governance; 2) Management Practices; 3) Human Resources; 4) Financial Resources; 5) Service Delivery; 6) External Relations; and 7) Sustainability. Each dimension is scored along a 5-point scale, where 1 = needs urgent attention to 5 = strong, needs maintaining. Then all the dimension totals will be added together to get the response entities' final score for the year. We expect newly formed organizations to begin with a baseline of 7, and by the second year of assistance to achieve a minimum score of 15. A strong producer organization in Serbia should score between 25 and 30; top performers should exceed 30 (with a maximum possible score of 35).

Grants Monitoring

Cost-share Investment Incentive grants are an important component of USAID Agribusiness Project activities to demonstrate new technologies to farmers, firms, and associations, promote innovation, reduce risk, and stimulate new investments, each of which will be designed to improve production, reduce costs, increase income, and/or increase sales. Enabling Grants, in turn, are designed to stimulate public/private collaboration in policy reforms to stimulate Serbian agriculture and agribusiness competitiveness. Every grant will therefore be selected with the perspective of how this grant will directly link to the previously defined competitiveness-related results. As part of the reporting process, each grant rationale will include a section clearly outlining what result will be achieved via this grant, and each grant will be divided into two or more trenches, with grantees required to demonstrate progress in implementation in order to receive the entire grant amount. Grantees themselves will thereby be part of the performance monitoring plan, as they will be required to report on periodic and final results of each grant dollar spent. This data will be fed into TAMIS, easily accessible for USAID Agribusiness Project and USAID management.

These methods of data collection will enable USAID Agribusiness Project staff to report to USAID the USG's return on investment: total sales generated as a result of project activities will be calculated and reported on annually basis following the results of the client satisfaction and impact survey. Additionally, when requested, USAID Agribusiness Project will produce and submit to USAID and relevant stakeholders brief success stories documenting interventions, innovations, and expansion where these could be of use in Serbia or elsewhere.

Attachment: Project Indicators

USAID Agribusiness Project- Overarching Project-Level Indicators

No.	Performance Indicator	Disaggregated by:	Methodology (data source)	Responsible Party	Baseline	2008	2009	2010	2011	2012
1	Percent change in agricultural GDP	N/A	National statistics	N/A	2007 Ag GDP: \$4.25 B	0.5% (over baseline)	1% (over baseline)	3% (over baseline)	6% (over baseline)	10% (over baseline)
2	Percent change in the value of agricultural exports	<ul style="list-style-type: none"> Export market Commodity 	National statistics	N/A	2007 Ag Exports: \$1.67 B	2% (over baseline)	4.5% (over baseline)	7.5% (over baseline)	11% (over baseline)	15% (over baseline)
3	Actual increase in employment in agricultural processing and services	<ul style="list-style-type: none"> Region Gender of new employees Type of firm Type of employment 	<i>Client Impact Survey</i> designed and implemented by the M&E/Grant Department including data validation and reporting	M&E/Grant Manager	0	200 persons	1,000 persons (cumulative)	3,000 persons (cumulative)	6,000 persons (cumulative)	10,000 persons (cumulative)
4	Dollar value change in agricultural product sales of USAID Agribusiness Project beneficiaries	<ul style="list-style-type: none"> Region Commodity 	<i>Client Impact Survey</i> designed and implemented by the M&E/Grant Department including data validation and reporting	M&E/Grant Manager	0	\$3 M in Year 1	\$7 M in Year 2	\$12 M in Year 3	\$20 M in Year 4	\$30 M in Year 5

NOTE: Projections on percent changes in agricultural GDP and exports are given based on *Projections of the basic macroeconomic indicators: 2008 - 2011*, a document issued by the Government of Serbia in May 2008, and the Task Order. The targets for Overarching Project-Level Indicators for 2012 as set in the Task Order shall remain unchanged. However, the targets shall be projected for each year over the life of the project and may be revised on an annual basis if economic conditions justify it.

USAID Agribusiness Project - Component 1: Increased Efficiency and Competitiveness of Serbian Agribusiness

No.	Performance Indicator	Disaggregated by:	Methodology (data source)	Responsible Party	Baseline	2008	2009	2010	2011	2012
1	Number of producer organizations assisted as part of the USAID Agribusiness Project	• Region • Age of organization • Size (number of members) • Sub-sector	Project data input into TAMIS	Project staff	N/A	30	50 (cumulative)	70 (cumulative)	90 (cumulative)	100 (cumulative)
2	Number of new members joining USAID Agribusiness Project-assisted producer organizations	• Gender • Region	Project data input into TAMIS	Project staff	N/A	250 total new members (annually)	500 total new members	3,000 total new members	5,000 total new members	6,000 total new members
3	Total dollar value of member sales through USAID Agribusiness Project-assisted producer organizations	• Gender • Domestic/ international	<i>Client Impact Survey</i> designed and implemented by M&E/Grants Department and Project staff, including data validation and reporting	M&E/Grants Manager	N/A	\$300K sales in year 1	\$1M sales in year 2	\$2M sales in year 3	\$5M sales in year 4	\$10M sales in year 5
4	Average score of assisted producer organizations on the Organizational Capacity Assessment Tool	N/A	<i>Annual or semi-annual survey</i> conducted based on the Organizational Capacity Assessment Tool	M&E/Grants Manager	Results of 2008 Assessment will be used as a baseline		TBD	TBD	TBD	TBD
5	Number of Agribusiness Development Service (ABDS) firms benefiting directly from USAID Agribusiness Project	• Gender of owner/ manager • Type of ABDS • Region	Project data input into TAMIS	M&E/Grants Manager	N/A	20 firms	40 firms (cumulative)	60 firms (cumulative)	80 firms (cumulative)	100 firms (cumulative)
6	Number of new ABDS started with assistance of USAID Agribusiness Project	• Gender of owner/ manager • Type of ABDS • Region	Project data input into TAMIS	M&E/Grants Manager	N/A	1	3 (cumulative)	8 (cumulative)	15 (cumulative)	25 (cumulative)
7	Total dollar value of new revenues generated from ABDS providers as a result of USAID Agribusiness Project	• Gender of owner/ manager • Type of ABDS • Type of service • Region	<i>Client Impact Survey</i> designed and implemented by M&E/Grants Department and Project staff, including data validation and reporting	M&E/Grants Manager	N/A	\$50,000 in sales in year 1	\$100,000 in sales in year 2	\$200,000 in sales in year 3	\$350,000 in sales in year 4	\$600,000 in sales in year 5
8	Client satisfaction rating by firms of the availability and quality of agribusiness development services by region	• Type of firm • Gender of owner/ manager • Region	<i>Client Impact Survey</i> designed and implemented by M&E/Grants Department and Project staff, including data validation and reporting	M&E/Grants Manager	N/A	4	4	4	4	4
9	Number of producers/processors who have received credit as a result of USAID Agribusiness Project	• Gender of borrower • Region • Lending institution • Sub-sector	<i>Client Impact Survey</i> designed and implemented by M&E/Grants Department and Project staff, including data validation and reporting	M&E/Grants Manager	N/A	20	50 (cumulative)	80 (cumulative)	120 (cumulative)	180 (cumulative)
10	Total dollar value of credits received by producers/processors as a result of USAID Agribusiness Project	• Gender of borrower • Region • Lending institution • Sub-sector	<i>Client Impact Survey</i> designed and implemented by M&E/Grants Department and Project staff, including data validation and reporting	M&E/Grants Manager	N/A	\$160,000 in year 1	\$240,000 in year 2	\$240,000 in year 3	\$320,000 in year 4	\$480,000 in year 5
11	Number of Investment Incentive Grants (including Youth Enterprise Grants) disbursed under USAID Agribusiness Project	• Gender and age of grantee • Type of grant • Region	Project data input into TAMIS	M&E/Grants Manager	N/A	20 per annum	40 per annum	45 per annum	40 per annum	25 per annum
12	Dollar value of Investment Incentive Grants (including Youth Enterprise Grants) disbursed under USAID Agribusiness Project	• Gender and age of grantee • Type of grant • Region	Project data input into TAMIS	M&E/Grants Manager	N/A	\$300,000 per annum	800,000 per annum (on average during 2009-11)	900,000 per annum (on average during 2009-11)	800,000 per annum (on average during 2009-11)	\$400,000 per annum
13	Number of farmers and firms accessing new technologies with the support of Investment Incentives Grants	• Firm/ farm • Type of technology • Gender of owner/ manager • Region	<i>Client Impact Survey</i> designed and implemented by M&E/Grants Department and Project staff, including data validation and reporting	M&E/Grants Manager	N/A	100	250 (cumulative)	500 (cumulative)	750 (cumulative)	1000 (cumulative)
14	Number of international food-safety, quality and environmentally friendly certificates (HACCP, Global GAP, ISO, Organic, etc.) introduced to and/or adopted by agribusinesses thanks to USAID Agribusiness Project	• Subsector • Certificate	Project data input into TAMIS	M&E/Grants Manager	Results of the activities conducted in 2008 will be used as a baseline		TBD	TBD	TBD	TBD
15	Number of Youth Business Plan Competition winners	• Gender of owner/ manager • Region	Project data input into TAMIS	Youth/Gender Director	N/A	10 per annum	12 per annum	15 per annum	15 per annum	No competition
16	Number of youth-led businesses participating in USAID Agribusiness Project-funded activities	• Gender of owner/ manager • Sub-sector • Region	Project data input into TAMIS	Youth/Gender Director	N/A	20 per annum	25 per annum	30 per annum	30 per annum	5 per annum
17	Number of youth-led successful/operational businesses initiated thanks to USAID Agribusiness Project	• Gender of owner/ manager • Sub-sector • Region	Project data input into TAMIS	Youth/Gender Director	N/A	10	22 (cumulative)	37 (cumulative)	52 (cumulative)	57 (cumulative)

USAID Agribusiness Project - Component 2: Improved Enabling Environment for Serbian Agribusiness

No.	Performance Indicator	Disaggregated by:	Methodology (data source)	Responsible Party	Baseline	2008	2009	2010	2011	2012
1	Reliable crop/livestock production and market price information system operating within the Ministry of Agriculture	• Subsector	Annual or semi-annual survey on client satisfaction designed and implemented by M&E/Grants Department and Policy Specialist, including data validation and reporting	Policy Specialist and M&E/Grants Manager	2007 System Reports	4	5	6	7	8
2	Targeted agricultural surveys implemented with the project support (per annum) in order to generate additional data on specific sectors or specific agricultural issues (e.g. costs and generated income per various households)	• Subsector	Project data input into TAMIS/Data from partner organizations	Policy Specialist	N/A	1 per annum	2 per annum	2 per annum	2 per annum	1 per annum
3	Number of producers and firms trained in the use of market information & production data	• Gender • Firm/producer • Type of training • Region	Project data input into TAMIS	Policy Specialist	N/A	25	75 (cumulative)	150 (cumulative)	200 (cumulative)	225 (cumulative)
4	Number of strategy papers prepared on policy related issues as a result of USAID Agribusiness Project activities	Type of reform*	Project data input into TAMIS and data from partner organizations	Policy Specialist	N/A	2	6 (cumulative)	9 (cumulative)	11 (cumulative)	12 (cumulative)
5	Introduction of an operational Environmental Information System (EIS)	N/A	Annual or semi-annual survey on client satisfaction designed and implemented by M&E/Grants Department and Environmental Engineer, including data validation and reporting	Environmental Engineer and M&E/Grants Manager	No system in place	4	5	6	7	8
6	Number of policy reforms implemented as a result of USAID Agribusiness Project	Type of reform*	Official Gazette of the RS (Serbian trade magazines and newspapers, GOS & Ministry data)	Policy Specialist	N/A	1 per annum	1 per annum	1 per annum	1 per annum	1 per annum
7	Number of Enabling Grants disbursed under USAID Agribusiness Project	• Type of organization • Purpose	Project data input into TAMIS	M&E/Grants Manager	N/A	approx. 7 per annum	approx. 20 per annum	approx. 20 per annum	approx. 15 per annum	approx. 7 per annum
8	Dollar value of Enabling Grants disbursed under USAID Agribusiness Project	• Type of organization • Purpose	Project data input into TAMIS	M&E/Grants Manager	N/A	\$200,000 per annum	\$600,000 per annum	\$600,000 per annum	\$400,000 per annum	\$200,000 per annum

* Types of reform are described in the PMP (reforms to address EU & International rules and procedures)