

# report

OAD-A-CR-179

*Filmed* ✓

## Program Design Guidelines Using a Logical Framework—Goal Hierarchy Combination

Prepared by:

Albert L. Brown

Submitted to:

Agency for International Development  
Bureau for Program and Policy Coordination  
DPRE/PE  
Washington, D. C.

Contract No. AID/OTR-147-77-10

March 1977

**MICROFILMED FROM BEST  
AVAILABLE COPY**



AMERICAN TECHNICAL ASSISTANCE CORPORATION  
7655 OLD SPRINGHOUSE ROAD  
McLEAN, VIRGINIA 22101

# report

OAD-A-CR-179

## Program Design Guidelines Using a Logical Framework—Goal Hierarchy Combination

Prepared by:

Albert L. Brown

Submitted to:

Agency for International Development  
Bureau for Program and Policy Coordination  
DPRE/PE  
Washington, D. C.

Contract No. AID/OTR-147-77-10

March 1977



AMERICAN TECHNICAL ASSISTANCE CORPORATION

7655 OLD SPRINGHOUSE ROAD

McLEAN, VIRGINIA 22101

## TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
- Program Design Guidelines Using a Logical Framework-Goal Hierarchy Combination	1
I. The Goal Hierarchy	3
II. Prototype Instructions and Worksheets	8

### Figures and Worksheets

1. Goal Hierarchy	5
2. Project Diagram - Nicaragua Ag Sector Program	19
3. Project Level	20
4. Institutional Level	21
5. Sector System Level	22
6. Target Group Level	23

## PROGRAM DESIGN GUIDELINES

### USING A

#### LOGICAL FRAMEWORK - GOAL HIERARCHY COMBINATION

Since 1970, the Agency for International Development has used a goal-oriented system called "The Logical Framework" as its fundamental approach to the design and subsequent evaluation and redesign of development activities\*. This system requires the project designer to describe how selected inputs will produce certain outputs to achieve the project purpose which will contribute to attainment of an agreed goal. The input-output-purpose-goal linkage is intended to describe the causal relationships between the AID project and the ultimate development objective. This means-end analysis allows a reviewer to examine the logical consistency of expected relationships given certain specified assumptions - hence the name.

The system has served the Agency well, but the Goal level has always been a topic of some controversy. It is usually possible to construct a taut causal linkage from input to output to purpose. However, the way in which the project purpose is to contribute to some remote national goal may not be readily apparent. This weakness may also limit AID's ability to assure compliance with legislation requiring that AID projects contribute to national goals.

In 1975, ATAC, working under contract to AID/PPC/PME, reported the design of a "Goal Hierarchy" which could be used to trace the linkage between project purpose and national goal preparatory to evaluation at this level\*\*. The Goal Hierarchy thus serves as an extension of the means-end analysis of the Logical Framework.

Subsequent work has demonstrated that these instruments used together are useful in formulating the design of both simple and complex projects and programs. The advantages of the combination over the Logical Framework alone for project design are:

---

\* AID Handbook 3, Part I, of September 1, 1975, supplemented by Evaluation Handbook and Project Evaluation Guidelines.

\*\* Preliminary Design of an Evaluation Methodology Beyond the Specific Project Level. Albert L. Brown, Edmond C. Hutchinson, et.al. American Technical Assistance Corporation. McLean, Virginia 1975.

- The expected causal linkage between project purpose and national goal is clarified.
- The tie-in to recognizable features of the development process provides a structure for this linkage.
- The target group is specifically identified, together with the mechanism whereby it will receive a particular benefit.
- Non-project influences which must be combined with the project impact in order to achieve the desired effect on the target groups are identified and analyzed.

This paper provides a description of the Goal Hierarchy and prototype instructions for its use in program design in combination with the Logical Framework. A good description of the latter is included in Project Evaluation Guidelines - Third Edition. AID. August 1974.

## I. THE GOAL HIERARCHY

AID programs incorporate a general logic system in which progress proceeds from stage to stage in an ordered and sequential way, i.e., from input to output to purpose and from project to institution to system to target groups, to broader national societal benefits. The outputs, results, and benefits beyond the project are currently incorporated in the generic term "goal."

AID project descriptions normally cite a single goal to which the project is directed, usually at a national benefits level, although many projects cite goals characteristic of the target group, sector system or institutional levels. This single goal does not adequately describe the causal relationship between project and intended benefit. When one seeks this causality, he finds that there is a logical order or hierarchy of goals below, and leading to and derived from, the national goal. This hierarchy is based in descending order (from the national goal) on the progressive definition of the national political goal in terms of what is to be accomplished and who is to benefit and by what mechanisms. Conversely, the ascending hierarchy includes the succession of classes of impacts which must be obtained from project operations to achieve the national goal.

These goals can be classified into levels and described in operationally relevant terms which can provide a basis for designing activities to produce specifically identified results at a particular goal level. Results achieved at one level serve as the means to accomplish next order goals. In other words, there is a causal relationship between activities and successive goal levels which is demonstrable either empirically or logically.

Examination of AID project files revealed that not only is there a hierarchy of goal levels but that there is also a distinction among types of impacts to be obtained within each level within the hierarchy. This generally involves a distinction between desired changes in activities or

characteristics; outputs expected, and resulting benefits. We have designated these as "Impact Classes" (Figure 1):

<u>Goal Level</u>	<u>Impact Classes</u>
IV. National	9. Societal Benefits
	8. National Group Benefits
III. Target Group	7. Target Group Benefits
	6. TG Activity Products
	5. Target Group Activities
II. Sector System	4. System Products
	3. System Support
I. Institutional	2. Institutional Products
	1. Institutional Support

The following definitions help provide an understanding of the classification of Goal Levels and Impact Classes:

I. Institutional Level. An institution is a significant organization which is a part of a sector system. It may be a ministry or a primary subdivision thereof, an autonomous agency, a private firm, or other organizational entity. Depending on how the sector being assisted is defined, it may also be a discrete subsystem of the sector system, e.g., credit, marketing. Institutional Support is creation or modification of or assistance to an organization. Institutional Products are policies, services and products of a single institution or, in some cases, of a single subsystem.

II. Sector System Level. A sector is that segment of an economy which is composed of interrelated activities, institutions, and relationships which are directly related to a program goal. A sector system is the combination of and the interrelationship among organizations, practices, channels and policies which moderate sector performance. Many projects as described appear to leap directly from institutional output to target group activity. However, target group activities (and the success of the institutional products) are normally influenced by non-project functions of the sector system. In practice, these essential non-project influences

Figure 1. GOAL HIERARCHY

L o w e s t ----- G O A L   H I E R A R C H Y ----- H i g h e s t									
GOAL LEVELS	I. INSTITUTIONAL LEVEL		II. SECTOR SYSTEM LEVEL		III. TARGET GROUP LEVEL			IV. NATIONAL LEVEL	
IMPACT CLASSES	(1) Institutional Support	(2) Institutional Products	(3) System Support	(4) System Products	(5) Target Group Activities	TG (6) Activity Products	(7) Target Group Benefits	(8) National Group Benefits	(9) Societal Benefits
TYPE OF IMPACT SOUGHT	Creation, modification or support of institution	Institution operating effectively to produce one or more higher level impacts or products.	Change in activities, characteristics or resource availabilities of a system which involves multiple institutions	Desired system characteristics	Change in TG activities or characteristics	Change sought as a direct result of changed TG activities or characteristics	Change sought in TG benefit incidence	Change sought in benefits to broad social and economic groups or systems to which TG belongs & in factors which define national social goals	Broad goals such as economic growth, social mobility and equality, national health, expanded opportunity, etc.
CHARACTERISTIC IMPACTS	Change in size functions, activities, staff procedures, available resources	<ul style="list-style-type: none"> <li>• Policies</li> <li>• Services</li> <li>• Commodities</li> </ul>	<ul style="list-style-type: none"> <li>• Size, quality and composition of system characteristics</li> <li>• Basis for assumption of non-project influences</li> </ul>	<ul style="list-style-type: none"> <li>• Policies, services and products which together are necessary &amp; sufficient to alter TG activities</li> </ul>	<ul style="list-style-type: none"> <li>• Behavior (Practices)</li> <li>• Knowledge (Understanding)</li> <li>• Attitudes (Receptivity)</li> <li>• Organization</li> </ul>	<ul style="list-style-type: none"> <li>• Productivity</li> <li>• Production</li> <li>• Employment</li> <li>• Consumption (diet)</li> <li>• Birth rate</li> <li>• Morbidity</li> <li>• Power (Influence)</li> </ul>	<ul style="list-style-type: none"> <li>• Income - food, clothing, shelter</li> <li>• Health</li> <li>• Security</li> </ul>	<ul style="list-style-type: none"> <li>Changes in: <ul style="list-style-type: none"> <li>• Production</li> <li>• Employment</li> <li>• Food and fiber supply</li> <li>• Program priorities</li> <li>• Population growth rate</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Changes in: <ul style="list-style-type: none"> <li>GNP</li> <li>Income distribution</li> <li>Economic dependency relationships</li> </ul> </li> </ul>

should be addressed in the Sector System Level. System Support impacts includes changes in the number, type, volume or quality of system activities brought about by the project. They also establish the basis for assuming the characteristics of non-project influences. System Products are policies, services and products emanating from multiple institutions operating as a single sector system. They include both the effects of the project and the non-project influences which together are necessary and sufficient to achieve a change in target group behaviour.

III. Target Group Level. A target group is an identifiable class of people which the project is expected to influence in a predictable fashion. This may be all people of similar characteristics or some more restricted subgroup segregated by location, occupation, sex, income, or other distinguishing characteristics. Target Group Activities are the behavior, knowledge, attitudes or social organization which the project is expected to alter. Activity Products are the proximate results of target group activities. Target Group Benefit is the desired resultant of activity outputs, e.g., farmers change their management practices (activity) to increase productivity (outputs) to get a higher income (benefit).

Note: The activities of one target group may produce results which benefit another target group and/or lead to a different national goal. Using the same example, farmers (TG-1) may change their management practices to increase production to get a higher farm income (Goal-1). The changed management practices may increase employment, benefiting farm workers (TG-2) to achieve a better income distribution (Goal-2).

IV. National Level. National level goals represent those benefits desired for broad national groups and the society as a whole. These are the goals most commonly stated in national development plans or articulated by national leaders. National Group Benefits are changes in characteristics of broad groups or systems to which the target group belongs, but which transcend the target group. This impact class defines and gives content to national goals in terms of the benefits to be conferred on particular classes of

citizens. Societal Benefits represent the national aspiration for economic growth, improved social relationships, general well-being, participation in the international order, and national policy. They thus represent the goals from which lower order goals should be derived and to which activities should ultimately be directed.

Logically and conceptually this hierarchy includes project level objectives. The Goal Hierarchy attaches schematically to the project design logical framework at the Purpose level, with the attainment of project purposes causing an impact at a higher Goal Level. A great part of AID activity helps to establish an institution, modify it, or otherwise support it in the performance of its functions. Therefore, the purpose of most AID projects will usually, but not necessarily, be the first Impact Class of the Institutional Goal Level.

## II. PROTOTYPE INSTRUCTIONS AND WORKSHEETS

A project design system should help designer, implementor, and reviewer to understand the objectives of the project and the methods to be used to attain them. It should describe the sequence of events whereby the project inputs will ultimately yield the desired benefit - the project logic - so that the reviewer may appraise the probability of successful implementation and the implementor will have a logical basis to guide his operating decisions. The design system should also provide the evaluator with a means of judging progress towards the established objective, and enable him to clarify the design if this is necessary.

The Logical Framework-Goal Hierarchy design system described here is based on means-end analysis, in which each action - the means - is expected to have an intended result - the end. Combined sequentially, these successive steps provide a logical series of events which demonstrate how the planned project inputs are expected to lead to accomplishment of an intended objective, given certain stated assumptions about the project environment. This system is not intended to assure the "correctness" of a given design, but to provide designer and appraiser with a framework which they can use to evaluate the logical consistency of the activity, based on their own experiences. The Logical Framework-Goal Hierarchy design system is still a conceptual approach rather than an optimization technique.

The prototype instructions and worksheets which have emerged from this study have been designed, tested, and redesigned through at least four iterations. The instructions have been organized around a step-by-step process which begins with an initial program concept and ends with a finished product.

The process of project design starts from two initial points:

- The need (real or felt) of a target group.
- An idea for a project to meet that need.

The project design process operates in two directions along the Goal Hierarchy and Logical Framework:

- Upward, to describe the process by which the project inputs are expected to meet the Target Group's need.
- Downward, to ascertain that all project and non-project conditions necessary to meet that need are present.

In their initial phases, the course of description and analysis tends to alternate directions rapidly as the designer tries to comprehend more thoroughly the nature of both the TG need and the project and the ways in which these relate to each other and to their environment. In the early stages of project design, the designer is not as concerned with arraying possible alternatives as he is in learning the true nature of the need and the relationships of that need to the project. As a result, his descriptions are tentative and expected to change as he fits these descriptions together in a logical construct by trial and error. Later, after the principal elements of the project, the need, the environment, and the processes of interaction have been identified, the design process becomes more deliberate, refined and analytical. Emphasis then centers on assuring that all essential conditions are met and on the selection of alternative ways to provide these conditions.

#### Step I. The Target Group

The target group is an identifiable group of people or entities which the project is expected to influence in a predictable fashion. This may be all of the people of similar characteristics or some subdivision of that group based on age, location, occupation, sex, income, or other distinguishing characteristic. However, the definition must meet two criteria:

- (1) The target group must be identifiable and distinguished by its described characteristics.
- (2) The target group must be affectable by the proposed project, either directly or indirectly, provided that the linkages are specified.

Any project may include one or more of the following types of target groups:

- Primary Target Group (TG-I). A clearly identifiable group of people or entities, the modification of whose activities is the primary objective of the project. Their benefits can usually be expressed in terms of national goals. They are not the implementors of the project.

- Subsidiary Target Group (TG-II). A clearly identifiable group of people or entities whose activities and benefits are modified by the changes brought about by the project's impact on the primary target group. Example: Farm laborers whose employment is increased because of a project which provides credit to farmers, who are the primary target group.

- Implemental Target Group (TG-III). A group of people or entities clearly identifiable as the instruments of a project, and whose behavior must change to bring about a change in the activities of the primary target group. Example: Agricultural extension agent, research scientists. The implemental target group may be the only target group of a project whose objective is to develop a new operating method.

The National Group is not the target group, but a larger group at the national level. It consists of all people or entities in the nation with characteristics similar to the target group, and includes the target group. The National Group may also be the system in which the target group is included, e.g., all the people or entities which produce a particular product.

The project designer should draft a preliminary description of the primary target group. Later, he may wish to broaden or narrow that description, or even reclassify it as a subsidiary or implemental target group, but the exercise of trying to define it will help to clarify the design problem.

## Step II. The Project Objectives

The project should be roughed out descriptively in logical framework terms, i.e., inputs, outputs and purpose. At this point, the designer should begin to understand more about the nature of his aspirations and the fundamental objectives which the project is expected to reach. The following project classification will help determine the objective:

- Direct Benefit. The primary objective of the direct benefit project is to directly impact on the behavior of a clearly identifiable target

group. The fact that the project may use intervening institutions and systems and may strengthen them in the process is a clearly secondary result. Examples: school lunch programs, disaster relief projects, operation of family planning clinic, village water supply.

• Institutional Development. Primary objective of this type of project is to strengthen an institution so that the institution may exert a new, better, different or stronger impact on the target group. The project may exert a strong impact on the target group, but the primary expectation is the multiplier effect obtainable through institutional support. Examples: most AID development projects are of this type.

• Method Generation. The primary objective of the project is to devise and/or test a technique. The technique, when ready, may be useful to an institution or a target group, but the primary concern is to develop the method. Examples: most research activities which do not have institutional development as a primary objective are of this type.

• Complexes. Many so-called "projects" are packages of several sub-projects which may include multiple examples of each of the above types of project. Examples include sector programs, integrated agricultural development activities, or institutional development projects with several components which affect the institution in different ways. The designer should attempt to discover all subprojects and rough out designs for each.

### Step III. The Target Group Level

The target group level is characterized by target group action. The target group must make decisions, change its behavior and accomplish the tasks which result in their benefits. The project objective is to influence this target group action by changing the factors which determine target group decisions.

In this step, the designer attempts to describe the successive impacts which the project is expected to have on the target group. This description is stated in three impact classes: Target Group Activities, Target Group Activity Outputs, and Target Group Benefits.

A. The Target Group Benefit. The need of the target group can be expressed positively as a benefit which the TG members would expect to perceive if the project is successful. This might be increased income,

improved health, additional job opportunities or a similar significant improvement in their welfare.

B. The Target Group Activity. The target group activity is the change in the behavior of the target group, which is to be caused by the project. The target group must always make some change in its behavior or characteristics, even if the action consists only of accepting something provided by the project, e.g., donated food.

C. The Target Group Activity Output. A transformation step or process - the activity output - must take place between the TG activity and the TG benefit which converts the former into the latter. Farmers adopt improved farming practices (activity) to increase production (activity output) to receive more income (benefit). Villagers drink pure water (activity) in order to limit parasitism (activity output) to maintain good health (benefit). A housewife adopts contraceptive techniques (activity) to have fewer children (activity output) to be able to provide more care to her other children (benefit).

#### Step IV. The Institutional Level

At this point, particularly if the project is a complex one, the designer should begin to describe step-by-step and with network diagrams the process by which inputs yield outputs which will achieve a purpose and eventually impact on the target group. The designer should also re-examine the project to determine whether it can be better understood if it is disaggregated into subprojects. Networking can help establish the relationship among such subprojects. A Project Design summary is used to display each subproject (See Figure 2).

In the process of networking the designer will usually discern that the project exerts its influence through an institution, even though it is a direct benefit type project. In the more common institutional development project, the project will provide specific support to an institution in order for the institution to produce a new or different or greater institutional product.

The Institutional Level is the point at which the Goal Hierarchy normally attaches to the Logical Framework in AID project design. The

Purpose Level of the Logical Framework of many AID institutional development projects is identical with the Institutional Support impact class. The project may also be a full step below the Institutional Level and still have as its primary objective the strengthening of an institution. In other words, there is no need to stretch or compress the steps of the Logical Framework to achieve a reasoned fit with the lower end of the Goal Hierarchy.

Institutional Support changes the size, functions, staff, organization, procedures or capability of an institution in order to achieve an Institutional Product. This product may be a policy, service or commodity which is essential to achieve a change in behavior of the target group. This Institutional Product should be defined in terms of the impact it is expected to have on the next higher level in the hierarchy. The designer should begin to think of these definitions in terms of measurable indicators of their achievement.

An Institutional Level worksheet can be used to display this information (See Figure 4).

#### Step V. The Sector System - Upward Bound (Sector System Support).

The Sector System is comprised of conditions which determine target group behavior. The project objective is to modify one or more of these conditions so that target group members will decide to change their behavior. In Step V, the project designer is following the natural progression of project impacts upward in the Hierarchy to describe the intended process.

The Institutional Product is a part of this Sector System. As the result of the project, this institutional product adds or modifies a policy (e.g., interest rates), a service (e.g., technical advice) or a commodity (e.g., improved seed) to other conditions (e.g., a delivery system, price structure, marketing channels) already existing in the sector system or which are being provided by other projects. The addition or modification represented by the institutional product is believed to be needed to bring about the expected change in target group behavior.

In the simplest situation, the institutional product may be the only sector system support required. This would be the case for example, where an improved crop variety was added to an integrated agricultural production

system that already included mechanisms for incorporating the improved variety into the technical assistance, delivery, credit and marketing subsystems.

Frequently, however, the situation is more complex because the mechanisms may be too weak to ensure incorporation of the institutional product. In these more normal cases, the sector system support class is treated as a transition step to describe how the institutional product is to be built into the system.

In the Upward Bound step we are primarily interested in describing the progression whereby the project inputs have been converted to a condition which is necessary to change the behavior of the target group. In doing this we will also begin to discern the characteristics of other parts of the Sector System which, together with the project impact, will be sufficient to achieve the desired change in target group behavior.

#### Step VI. The Sector System Level - Downward (Sector System Product)

The Sector System is expected to provide all conditions needed to achieve the change in Target Group behavior intended to result from the project. The Institutional Product traceable back to the project is just one of these conditions. The objective of this "downward" step is to define the other necessary conditions and to assure their adequacy.

One should start this process by trying to list the elements of the system believed to be necessary. These are the kinds of things which have heretofore been treated as assumptions: events or conditions over which project management has little control but which are essential to the success of the project as planned. The Goal Hierarchy provides a mechanism for defining these more precisely.

Each significant element of the system needed to assure the desired behavioral change in at least part of the Target Group is first defined as a Sector System Product. If these Products are known to be in place, a note to that effect is all that is necessary. Whenever an element of the Sector System is assumed to be in place at the product level, the basis for this assumption must be specified. If this is not known at the PID or PRP design stage, the note describes how it will be ascertained for in the PP.

When the necessary System Products are known not to be in place, then the System Support required to get them there must be described. This may be a simple non-project input, e.g., a condition precedent or informal agreement. Or it may require working back down the hierarchy to another institution or even another project.

At this point one should look again at the project level to ascertain that it is indeed monolithic or that it has already been disaggregated into the proper subprojects.

A separate Sector System Level worksheet (see Figure 5) is prepared for each element of the Sector System. The first elements are always the project (or subproject) contributions to the system, with other non-project elements numbered serially. In practice, no more than six elements should be required. Greater numbers generally indicate (1) excessive disaggregation, in which case related elements should be regrouped, or (2) such complexity that the project contribution will be overridden by non-project influences.

#### Step VII. Iterations and Refinements

When the designer has a clear idea of the project/subproject elements, the progression up to the target group benefits, a list of essential sector system elements and a network diagram of the process, he should complete the first column of the worksheets.

The Project Level worksheet (Fig. 3) is the Project Design Worksheet through the Purpose Level, i.e., the Logical Framework or Log Frame. A separate sheet should be prepared for each project or subproject.

The Institutional Level worksheet (Fig. 4) includes lines for Institutional Support and Institutional Product impact classes. A separate sheet should be prepared for each project or subproject.

The Sector System Level worksheet (Fig. 5) also includes lines for Support and Product impact classes. A separate sheet should be prepared for each project or subproject and for each essential non-project element.

The Target Group Level worksheet (Fig. 6) includes lines for Activity, Activity Output and Benefits. A separate sheet should be prepared for each target group or for each expected Benefit.

The exercise of completing the first column of each sheet is a review of the logical consistency of the progression. Any evidence of inconsistency suggests the need for further analysis and possible reconstruction. As indicated above, it is possible to collapse sequential steps without destroying the logic, e.g., purpose may be identical with institutional support or institutional product may be identical with sector system support. These overlays may indicate, however, that a significant process is being overlooked, so they should be reviewed carefully.

When satisfied with the inherent logic of the progression, the designer should fill out the remaining columns on each sheet. Project Level worksheets have the standard columns. Beyond-the-Project worksheets have the following, besides the goal statement:

- Type of Impact Sought. Categorize the change which is being sought as one or more of the characteristic impacts shown in the Goal Hierarchy Model (Fig. 1). The intent of such categorization is to help describe the type of indicator which will define progress. This in turn may lead to a restatement of the goal.

- Indicators and Targets. List the chosen indicators and set the targets which are to be achieved at different times from BOP (baseline), through intermediate critical points to EOP, and beyond.

- Means of Verification. Cite the expected source(s) of data on indicators and means of data collection.

- Time to Verify. This column is used to indicate the dates at which data on the indicator is to be collected and analyzed by formal survey or special evaluation. These are expressed as BOP, EOP or years subsequent to each. The first year in which significant change is expected should be bracketed.

- Notes and Assumptions. This column deals with the assumed behavior of external conditions, factors and variables. Explanatory notes, caveats and references to analyses or amplifications in the project paper or its annexes are placed in this column.

#### Step VIII. Project Diagram

The Logical Framework-Goal Hierarchy combination encourages the "horizontal" disaggregation of complex projects into subprojects. It

also encourages the "vertical" disaggregation of means-end relationships into multiple goal levels and impact classes. While this disaggregation provides a clearer understanding of the project logic, it results in a large number of worksheets (one for each subproject, one for each goal level, one for each major assumption). This, in turn, keeps a reviewer from the quick scan understanding of project logic which the Project Design Summary or Log Frame provided. To overcome this deficiency, we have found it desirable to provide the reviewer with a road map through these sheets in the form of a Project Diagram.

This project diagram traces the relationships of all important sub-projects through input, output and purpose levels, and thence through the subsequent levels of the Goal Hierarchy. The project diagram is intended to show sequential relationships among levels, and overlays at identifiable levels of the Logical Framework-Goal Hierarchy. It also shows the various chains for which documents are included, and the nodes where these chains come together or where an undocumented chain may connect. An example (Nicaragua: Agricultural Sector Program - INVIERNO) is attached as Figure 2.

#### Step IX. Project Narrative.

The worksheets summarize the essential characteristics of the project in a format intended to display the basic logic of the project, from input to target group benefit, with all essential project and non-project contributions. This display is a very condensed summary which must be amplified by a project description which includes such ancillary descriptions and analyses as may be needed to justify the solution chosen.

The project description and the design summaries should be prepared for each level in the project approval process: Project Identification Paper (PID), Project Review Paper (PRP) and Project Paper (PP). The design summaries, like the project description, will vary from PID through PRP to PP in degree of certainty, precision and completeness. For example:

- PID - First and second columns only
- PRP - Add indicators, verification and time
- PP - Fix targets and provide references

### Step X. National Level

The National Level is covered in the narrative rather than in a project design worksheet.

Not all AID-financed projects are expected to have a measurable impact on a national level goal, either because they are too small, because their impact is registered through an intermediate activity, or because their objective is limited to method generation or some similar activity which interrupts the Goal Hierarchy.

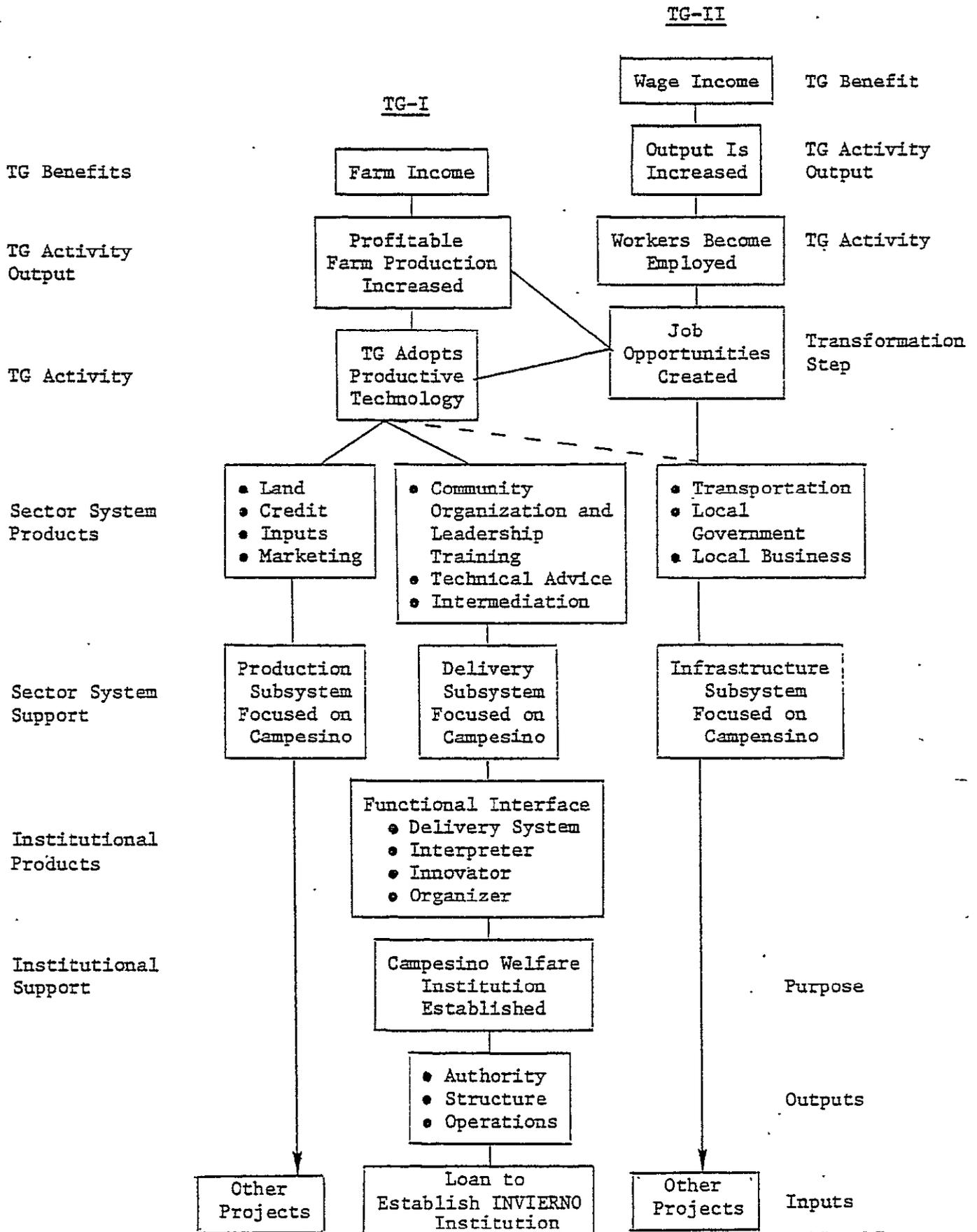
The National Group is the larger group at the national level which includes all people or entities in the nation with characteristics similar to the target group, and includes the target group. The narrative discussion of this group should describe the size and distribution of this group and relate the target group to it. The extent to which the target group experience is to impact on this national group, and the mechanism for this transfer of experience should be stated. When it is anticipated that the initial project is to be replicated, the unit costs of the initial project should be calculated and applied to the national group in order to determine the magnitude of total costs.

The Societal Benefits are the ultimate national aspirations to which the project is directed, usually expressed in terms of GNP, national income per capita, agricultural production, foreign exchange, population growth rates, health or education status, etc. They are normally articulated in laws, national plans, or policies enunciated by political leaders.

The narrative should state the source of the national goal and the way in which this national goal is reconciled with AID concerns, referencing the DAP as appropriate. It should also indicate the contribution which the project will have on the national goal, if successful, and when this contribution will occur.

Figure 2. Project Diagram

NICARAGUA - AGRICULTURAL SECTOR PROGRAM - INVIERNO



PROJECT: \_\_\_\_\_

PROJECT LEVEL

NARRATIVE SUMMARY	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<u>Purpose:</u>			
<u>Outputs:</u>			
<u>Inputs:</u>			

PROJECT: \_\_\_\_\_

INSTITUTIONAL LEVEL

INSTITUTIONAL PRODUCT GOAL STATEMENT:	TYPE OF IMPACT SOUGHT	INDICATORS & TARGETS	MEANS OF VERIFICATION	TIME TO VERIFY	NOTES & ASSUMPTIONS

21

Figure 4.  
Institutional Level

PROJECT: \_\_\_\_\_

SECTOR SYSTEM LEVEL (Element No. \_\_\_\_\_)

SYSTEM PRODUCT: <u>Goal Statement:</u>	TYPE OF IMPACT SOUGHT	INDICATORS & TARGETS	MEANS OF VERIFICATION	TIME TO VERIFY	NOTES & ASSUMPTIONS
<u>SYSTEM SUPPORT</u> <u>Goal Statement:</u>					Figure 5. Sector System Level

PROJECT: \_\_\_\_\_

TARGET GROUP LEVEL

TG BENEFITS GOAL STATEMENT:	TYPE OF IMPACT SOUGHT	INDICATORS & TARGETS	MEANS OF VERIFICATION	TIME TO VERIFY	NOTES & ASSUMPTIONS
TG ACTIVITY OUTPUTS GOAL STATEMENT:					
TG ACTIVITIES GOAL STATEMENT:					Figure 6. Target Group Level