IMPROVING THE COLLECTION AND USE OF PROGRAM PERFORMANCE DATA

SEPTEMBER 1989

SUBMITTED TO:

Steven Sinding, Director
USAID/Kenya

SUBMITTED BY:

Gerald Britan, PPC/CDIE
Cindy Clapp-Wincek, AFR/DP
Gary Moser, USAID/Kenya
Larry Cooley, MSI
Dwight Bunce, MSI

012-V36/1ST

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I. INTRODUCTION

USAID/Kenya in many ways represents one of the most successful examples of the DFA Action Plan in practical application. Over the past several years, the Mission has placed a strong and continuing emphasis on improving the evaluation of program and project performance and improving the use of program performance information in planning and decision-making. This has encompassed an initial series of planning meetings; a formal Mission Evaluation Workshop (facilitated by MSI) in 1988; and subsequent efforts to develop and refine program strategies, performance indicators and evaluation plans, including a number of Office and Mission-wide retreats.

The Mission is also well aware that strategic planning is a continuing process and that many program performance information needs are still not being adequately met. The Mission has periodically revised its strategic goals, objectives, and targets--and its systems for measuring program performance--based on available performance information, shifting development opportunities and constraints, and a clearer recognition of where A.I.D.'s greatest contribution to Kenyan development can be made.

In this regard, the activities of the TDY team should be seen as a continuation and expansion of an ongoing Mission exercise. The Scope of Work for the assignment called on the team to: (1) review current procedures for collecting, analyzing and using performance data; (2) make recommendations for improving those procedures; (3) outline an ongoing and feasible process for implementing the recommended improvements; and (4) initiate this process in one or more areas of the Mission's portfolio. In conducting this task we spent virtually all of our time inside of the Mission reviewing documents, talking to people, developing ideas, and testing them out. More specifically, we:

- reviewed the Mission's major program documents (CDSS, Action Plan, sector strategy statements, etc.);

- briefly reviewed current information systems and data sources;

- catalogued existing external reporting requirements in consultation with Office heads and relevent project officers;

- prepared and discussed ideas for possible strategic objectives, targets and benchmarks for current and anticipated Mission activities, with particular emphasis on the upcoming CDSS excercise;

- developed and discussed specific strategies for generating and utilizing program information;

- explored with Mission management and other Mission personnel the substantive, organizational, and operational implications of adopting a program perspective;

- developed more complete proposals for data collection, analysis and use in one program area as an example of what might be done; and

- suggested a set of next steps to be taken in implementing a program information and reporting system.

This report briefly summarizes our observations and suggested actions.

II. OVERVIEW OF USAID/KENYA'S COUNTRY PROGRAM

USAID/Kenya has already devoted considerable time and energy to developing, refining, implementing, and evaluating a more focused and effective country program strategy. At the same time, the Mission is currently intensively re-examining its program strategy and performance information systems as a basis for preparing a new CDSS. While it is unlikely that the Mission's major goals and objectives will be radically reformulated at this stage, many details, particularly at the target and subtarget (and project purpose) levels, remain to be clarified. The following description of USAID/Kenya's country program strategy represents the TDY team's best judgement, based on available information and extensive discussions with Mission staff, of what that strategy currently is and where it appears most likely to be heading. It is intended as input into the CDSS process, although the strategy may still change significantly during the course of that process over the next several months. This country program description also provides at least a preliminary basis for assessing the Mission's possible uses, needs, and sources for program performance information.

The goal of the country program in Kenya can be seen as helping the government and people of Kenya achieve sustained and broad-based economic growth so that current and future generations can enjoy increased opportunities, higher standards of living, and greater security in meeting their basic human needs. (Figure 1, an "objective tree" depicting the Mission's core program is provided to help in following the discussion of program strategy below.)

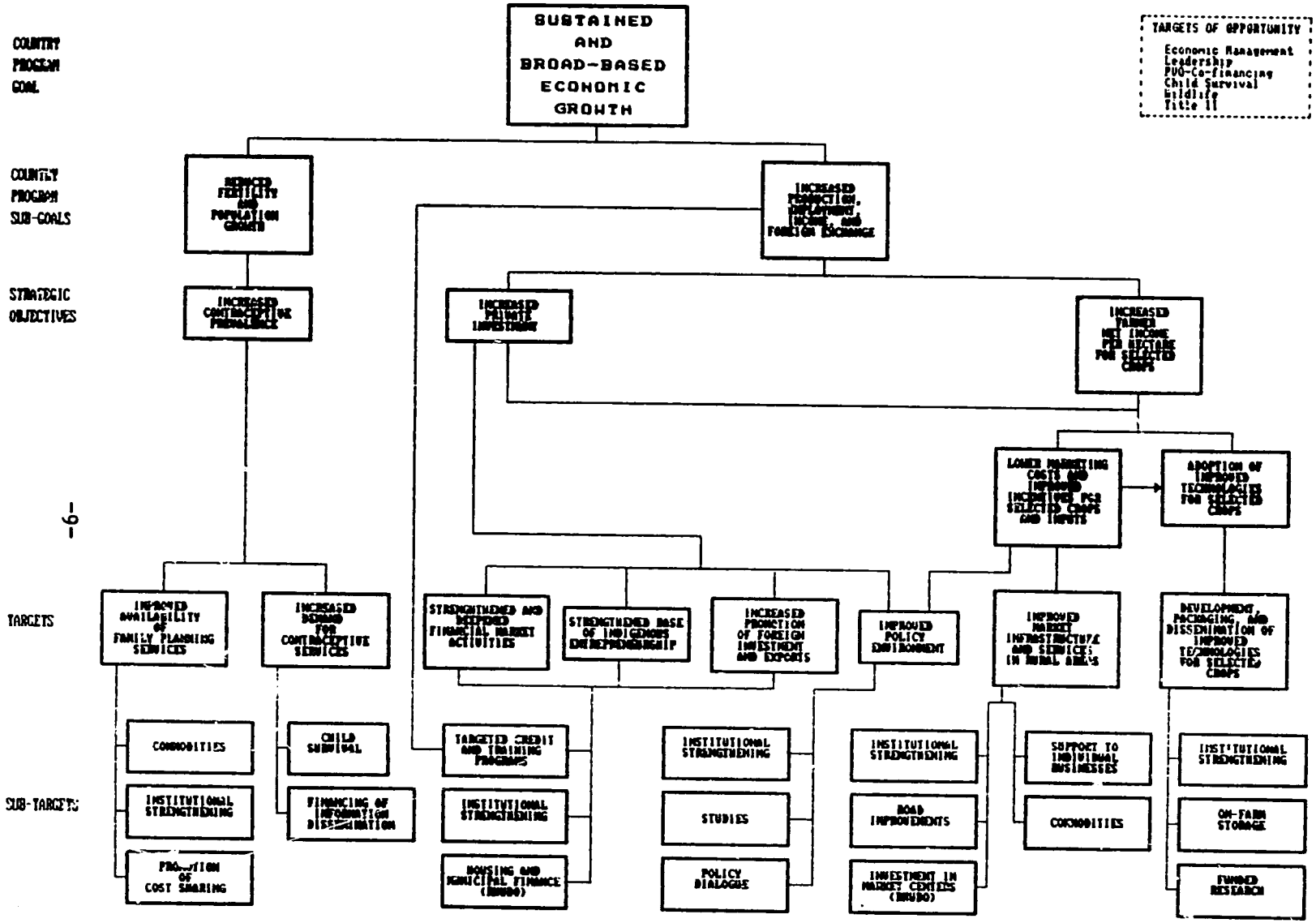
USAID/Kenya expects to contribute to two sub-goals that are necessary to achieving sustained and broad-based growth: 1) reduced rates of fertility and population growth; and 2) increased production, employment, income, and foreign exchange from the private sector. These sub-goals have associated strategic objectives which USAID/Kenya feels it can subsantially affect and against which it is prepared to have its performance judged.

USAID/Kenya will contribute to reducing fertility and population growth rates by achieving the strategic objective of increased contraceptive use. This, in turn, will be accomplished through two targets: 1) improving the supply of contraceptive services (by increasing the availability of contraceptive commodities and the quantity and quality of services delivered by various family planning providers) and 2) increasing the demand for contraceptive services (through IEC and social marketing activities and by increasing the likelihood and expectation that desired children will survive).

USAID/Kenya will contribute to increasing production, employment, income, and foreign exchange earnings from the private sector by achieving the strategic objectives of increasing private investment for Kenya as a whole and increasing farmer net income for selected crops.

DRAFT OBJECTIVE TREE OF THE USAID/KENYA PROGRAM

September 15, 1989



The first of these strategic objectives, increased private investment, will be accomplished through actions focused on achieving four targets: 1) strenthened and deepened financial market activities; 2) a strengthened base of indigeneous entrepreneurship, 3) increased promotion of foreign investment and exports, and 4) an improved policy environment. Each of these targets has an associated set of sub-targets and project activities.

USAID/Kenya can be seen as contributing to increased net farmer income per hectare for selected crops through two targets: 1) lower marketing costs and improved incentives for selected crops and inputs (by improving the policy environment and improving the availability and efficiency of market services in rural areas) and 2) the adoption of improved technologies for selected crops (by developing, packaging, and disseminating improved technologies).

The USAID/Kenya country program also includes several targets of opportunity which the Mission pursues because it has a compelling competitive advantage, a historical commitment, or an external requirement. These include improved economic management by the GOK (focusing on increased fiscal responsibility and budget rationalization--important areas, but ones in which USAID/Kenya remains a relatively minor player); training the next generation of Kenyan leaders (although such training activities also support other program elements, as discussed later); increasing the quantity and quality of services from indigeneous PVO's (which also supports other program elements); reducing infant and child deaths (which also affects contraceptive demand); improving wildlife management (as a basis for maintaining foreign exchange earnings from tourism); and providing food aid to ensure food availability for at risk populations (which also affects child survival and agricultural production). Several residual project activities (such as remote sensing) are being phased out of future programs.

The Mission's current portfolio includes a total of 23 projects, 29 substantial policy dialogue items, and three major programs of non-project assistance. A summary of policy dialogue items by strategic objective is included in a subsequent section on "Other Program Management and Evaluation Issues" and a detailed listing of projects and sub-projects by strategic objective is provided as Annex 3.

In addition to the core strategy discussed above, there are several unresolved programming issues with obvious implications for the choice of strategic objectives, the selection of performance indicators, and the choice of data collection approaches. These issues include, but are not limited to, the following:

- the extent to which an explicit focus on small business or small farmers should be reflected in the Mission's private enterprise and agricultural strategies;

- the interest of the Mission in targeting demand (as well as supply) in its family planning strategy;

- the selection of crops to be emphasized in the Mission's agricultural strategy;

- the Mission's strategy with respect to agribusiness development;

- the willingness of the Mission to incorporate serious efforts in entrepreneurship development and promotion of foreign investment and/or export development as elements of its private enterprise strategy.

III. A PROGRAM PERFORMANCE EVALUATION SYSTEM

This section outlines the possible roles, responsibilities, and information sources for the collection and use of program performance information by USAID/Kenya. While many alternative information systems could have been suggested, this plan was designed to reflect the special characteristics and needs of the Kenya Program. It encompasses broad strategic themes, but does not provide detailed project-level coverage. (More detailed performance evaluation plans for Agriculture and Private Enterprise programs are provided in subsequent sections, and in a detailed Annex focusing specifically on the Agriculture program).

A. Underlying Themes

A number of underlying themes define the basic framework for our recommendations about program performance evaluation in Kenya. These include:

1. Incorporate program performance information into existing reporting, review, and decision-making systems.

CDSS's, Action Plans, Project Implementation Reports, and policy reviews all provide opportunities for summarizing program and project information as a basis for action. The ultimate goal is to make program performance information as routinely available and easily used as financial data is now.

2. Only collect performance information that is likely to be used and only collect it when the costs of data collection and analysis are exceeded by the expected benefits.

Information has a cost in time and money and lost opportunities. There is no point in investing substantial resources assessing the potential impact of extension alternatives, for example, if the national extension service is unwilling to alter its delivery modes. Information should only be collected if there is a reasonable prospect that it will affect Mission or government decisions and behavior, or if it is required for external reporting. More information is not necessarily better. Indeed, like most Missions, USAID/Kenya has, if anything, too much data, but too little time to analyze and interpret it adequately. What is critical is getting the right information, about the right issues, to the right people, at the right time for decision-making.

3. Keep Program Performance Evaluation as simple as possible.

Collecting information on dozens of variables is usually just an excuse for not taking the time and effort to determine which variables are most useful and important. Only rarely will more than two or three indicators be needed as a basis for analyzing any particular performance element. Often one "key indicator" will suffice.

Measures should also be kept as simple and straight-forward as possible, and benchmarks, indicators, and trends should not be delineated any more precisely or rigorously than necessary. Quantitative and time series data, if available, are often useful in firmly establishing trends and clearly linking them to A.I.D. interventions. In many case, however, qualtitative data or categorical comparisons will be sufficient as a basis for decision-making, and will sometimes even be preferable.

4. Use existing information sources as much as possible.

Available secondary data (from censuses, routine surveys, economic and trade statistics, etc.) often provide a sufficient basis for extremely convincing program performance measures, particularly at strategic objective and goal levels. However, even at the target and sub-target level, ongoing surveys, routine records, and other administrative sources can provide a basis for useful benchmarks.

Much information about program performance, particularly at the target and sub-target level, can be based directly on routine project monitoring and evaluation data. This not only includes information on service delivery, but also information on the impact of service delivery, the increasing capabilities of institutions, or the implementation of policy changes. This data should normally be routinely collected through ongoing assessments of purpose-level project ahievements.

Most of the reorientation of USAID/Kenya's information systems towards program performance can be accomplished through incremental additions to existing project monitoring and evaluation activities. In the agriculture and private enterprise areas, however, where strategic objectives are seemingly being more ambitiously redefined for the new CDSS, a more substantial expansion of program-level information may be both necessary and possible. In any case, every opportunity should be taken to eliminate unnecessary data collection and analysis activities, rather than simply adding new requirements.

5. Use project mechanisms to collect and analyze most additional program performance information.

Projects are usually the most appropriate setting for a variety of additional data collection and analysis activities. Indeed, improving the data collection and analysis capabilities of indigeneous organizations is often itself a major project purpose (as, for example, in USAID/Kenya's efforts to improve the policy analysis capabilities of the Kenyan Association of Manufacturers). A variety of special studies can also be conducted through such organizations or through project M&E units. In general, project-funded data collection and analysis activities should be sufficient for routine reporting on program performance, at least at the target and sub-target level.

Project mechansisms can sometimes be used to collect and analyze critical information even at the highest strategic levels. The Population Office, for example, has used project funding and technical assistance to support the Kenyan Demographic Survey which provides key national-level information on contraceptive use, fertility, and population growth. Similarly (but at a slightly lower strategic level), the Agriculture and Private Enterprise Programs could add project-funded data collection and analysis components to assess the development and adoption of new technologies, the increased efficiencies of agricultural markets and services, the broadening and deepening of financial markets, and the increasing activities of Kenyan entrepreneurs.

6. Place more emphasis on analyzing and interpretating information and less on data collection as such.

USAID/Kenya already devotes considerable energy to collecting a wide range of project and program data, but spends much less time analyzing that data or using it as a basis for program and project decision-making. Unless attention is clearly focused on interpreting and using data, any effort to improve program performance information is likely to be greeted skeptically. The implementation of a program performance evaluation system should be treated more as a reorientation than an expansion of existing data collection and analysis systems. It provides an opportunity to eliminate data collection and analysis activities that have limited utility for decision-making or reporting.

While more attention should be devoted to analyzing and interpreting performance data, analysis should be kept as simple as possible. Performance evaluations are not intended to prove or disprove scientific hypotheses, but merely to establish reasonable links between AID's activities and development trends. Most such analysis involves straight-forward tracking of perforance measures over time, either through quantitative time series, frequency counts, or qualitative shifts. Ocassionally, more detailed or rigorous analyses may be needed to explore unanticipated effects, assess the distribution of benefits, or provide a basis for choosing among alternatives.

In many cases, smaller-scale special studies can provide sufficient, cost-effective information for decision-making. Such special studies (using rapid and low-cost methods, such as focused surveys, group interviews, case studies, and observational techniques) can be extremely helpful in estimating parameters and in clarifying, testing, or expanding information available from routine performance measures. Such studies are also often the only reasonable way of examining the why questions ("how do you know that" and "so what") associated with program and project results. Such special studies can use rigorous and precise measures, but are not easily generalizable when accurate statistical inferences to larger populations are required.

7. Clearly delineate program management and evaluation roles and responsibilities.

Program performance information will never become routinely available for reporting and decision-making unless roles and responsiblities for obtaining, analyzing, and using this information are clearly delineated. This includes a defined locus for reporting and coordinating information activities (most likely at the Program Office or Deputy Director level) and clearly defined responsibilities for Project Managers, Office Directors, and project personnel. A suggested division of roles and responsibilities for USAID/Kenya is described later.

8. Take advantage of appropriate opportunities to strengthen indigeneous program performance evaluation capabilities and institutions.

Much of the program performance information that is useful to USAID/Kenya will also be useful to indigeneous organizations (public or private) that are developing, implementing, or managing related

development activities. Indeed, such program performance information is often more immediately relevant to these organizations than to A.I.D. USAID/Kenya already collects substantial program performance information through indigeneous organizations and is making a significant effort to improve their data collection and analysis capabilities. Where appropriate, the Mission may want to make similar efforts to help these organizations make better use of program performance information in their internal management decision-making.

B. Program Performance Information Sources

With the exception of the population portfolio, the team could not identify any regular Mission procedure (other than project evaluation) for collecting, compiling or reviewing data above the project "output level" or for assessing progress with respect to the strategic objectives outlined in the CDSS and the Action Plan. The major sources of data available to project officers and senior managers are:

- quarterly reports from contractors;
- PIRs;
- results of special studies, project evaluations, and audits;
- results of ad hoc reviews conducted in the context of major planning and policy dialogue exercises;
- national statistics; and
- informal information from a variety of sources.

The team observed that there are several occasions when it would apparently be possible to systematically review project and portfolio impact in relation to the objectives of individual projects and/or the overall portfolio. These include:

- semi-annual portfolio reviews;
- preparation and review of the Action Plan;
- preparation for periodic review of the overall AID program with the GOK;
- periodic staffing analyses; and
- responses to individual project evaluations and audits.

At present, portfolio reviews apparently focus largely on implementation progress; Action Plan preparation is based on ad hoc assemblage of available information on indicators and benchmarks; and policy dialogue discussions are informed by the results of special studies and by macro-economic data assembled specially for such discussions. To date, many project evaluations have focused on "process" and most of those which have focused on impact have had to collect primary data for that purpose.

Project M&E Systems

USAID/Kenya has already established project monitoring and evaluation systems related to each major program area. Most of these M&E systems provide substantial data on service delivery and institution building, but more limited data on how expanded service delivery and enhanced institutional capabilities affect intended beneficiaries (generally, project purpose-level results). Private enterprise projects, for example, track loans made, training received, and the characteristics of training and loan recipients. Population projects track contraceptives supplied, family planning services delivered, and the service capabilities of family planning organizations. Agriculture projects track research funded, individuals trained, and new technologies developed. Much of this information can be directly applied in tracking program sub-target and sub-sub-target benchmarks.

With relatively little additional effort, these project M&E systems could collect much more information on the broader effects of improvements in service delivery and organizational performance. Much of this information should be directly useful in project management, while also providing at least some indication of program achievements at the target and sub-target level. A recent external evaluation of Kenya's private enterprise projects, for example, recommended implementing "impact audits," to assess the longer-term effects of credit and training on individuals and institutions, as a routine part of project M&E. Similar "impact audits" (informal surveys or limited case studies) could be conducted in most other program areas and would provide much useful information on the direct results of projects.

Special Evaluation Studies

Both the Agriculture and Private Enterprise programs are currently redefining their objectives more ambitiously to focus on altering the broader policy and institutional framework for agricultural and private sector growth. As such, these programs will increasingly try to influence the behavior of large numbers of individuals and organizations that do not participate directly in AID projects. Such indirect effects can be difficult to capture through routine project monitoring.

Special evaluations, specifically designed to assess the breadth and magnitude of desired institutional and behavioral changes, will often be needed. Such studies might, for example, focus on changes in farming practices outside AID's project areas, measure the extent of improvements in crop marketing systems, assess changes in entrepreneurial behavior resulting from the replication or diffusion of AID training, or measure wider increases in credit availability for small businesses.

The need for some special evaluation studies can be anticipated in advance to answer key questions arising from the program strategy, and such studies can be outlined and scheduled, at least in a preliminary way, in program area information plans (see, for example, subsequent information plans for private enterprise and agriculture). The need for other special evaluation studies will only emerge as issues and problems arise during the course of program implementation.

Special evaluation studies can take a variety of forms, utilizing diverse methodologies and designs, depending on the particular issues being addressed. Such studies may or may not require statistically representative surveys, since the usual objective is simply to provide enough evidence to clearly link AID activities to higher level performance measures (such as increased private investment) or to provide a basis for interpreting those measures more fully. Focused surveys, case studies, key informant interviews, or observational data are usually the most appropriate methodologies. Special evaluation studies also often use a range of secondary sources, administrative data, and the like. In some cases, where available evidence is inconsistent or inconclusive, more intensive or more statistically generalizable special studies may be required.

Most special studies can be administered through project mechanisms, and conducted either by project M&E units or by project funded research and analysis organizations, even if they encompass concerns beyond that particular project. However, when research and analysis are particularly complex, or when the credibility of participating organizations is an issue, special studies may need to be conducted by external evaluators.

When special studies address performance issues that encompass a range of related project, non-project, and policy dialogue activities within a single program area, responsibility for further analysis, interpretation, and use of study findings will usually reside at the Office Director level. When occasional special studies address issues that cut across program areas and strategic objectives, responsibility should probably reside in the Projects Office or the Program Office. As the focal point for coordinating, summarizing, and interpreting performance information data (as discussed in the next section), the Program Office also has a special responsibility for identifying special study needs and facilitating study design and implementation. Of course, the Program Office also has primary responsibility for special studies related to project, non-project, and policy dialogue activities within its own portfolio.

Secondary Sources

Much of the program performance information that USAID/Kenya will need at the goal and strategic objective level should be available from secondary sources and GOK statistics. This includes information on private sector investment, farming technologies adopted, jobs, income, production, foreign exchange earnings, contraceptive use, fertility, population growth, and economic management. In the case of farming technologies, available information may have to be supplemented by special studies (surveys or case studies) or by direct efforts to improve the data collection and analysis capabilities of indigenous organizations. This later approach has, in fact, been central to the information strategy of the Mission's population program, which obtains key data from GOK statistics and surveys, most of which would be unavailable without A.I.D. technical assistance and financial support.

C. Roles and Responsibilities

The type of information system implicit in adopting a program perspective entails several changes in roles and responsibilities of Mission personnel. These changes include the following:

Project Managers

Most program performance information is obtained through project mechnanisms and sources, and project managers should play the primary role in planning, designing, and managing most routine data collection and analysis activities, including some special evaluation studies. While most initial data collection and analysis will be conducted by project participants, advisors, and consultants, project managers have primary responsibility for interpreting and reanalyzing performance information, for using it as a basis for decisions about project implementation and redesign, and for summarizing and communicating it to Office Directors and Senior Managers. Critically important findings should be communicated as soon as available, with more routine performance information communicated periodically in conjunction with project implementation reports.

Office Directors

Office Directors have supervisory responsibility for reviewing and acting on performance information provided by project managers. Office Directors have primary responsibility for planning, designing, and managing data collection and analysis activities (including most special evaluation studies) that address higher-level objectives, or for clearly delegating such responsibility. While most data collection and analysis responsibilities will likely be delegated, Office Directors should retain responsibility for interpreting and reanalyzing

this data, for using it as a basis for program decisions, and for communicating critically important findings to Senior Mission Managers. Office Directors should also periodically summarize routine program performance information and communicate it to the Program Office in conjunction with project implementation reports and Action Plan reviews.

Program Office

The Program Office is the natural focal point for program performance evaluation. The Program Office has direct responsibility for planning, designing, and managing data collection and analysis related to its own project, non-project, and policy dialogue portfolio and for immediately forwarding critically important findings to Senior Mission managers. The Program Office also has primary responsibility for summarizing, interpreting, and reanalyzing program performance information submitted by individual offices (in conjunction with PIR's) and for forwarding this summary and related action recommendations to Senior Management. The Program Office takes the lead in preparing more comprehensive program performance reports in conjunction with periodic Action Plan and CDSS preparation.

Through the Evaluation Officer, the Program Office has an advisory and coordinating responsibility for the Mission's entire program performance evaluation program. This involves tracking ongoing and planned evaluation activities; providing advice and assistance in planning, designing, and implementing evaluations and special studies; providing assistance in staffing and logistics; and otherwise facilitating the process of obtaining and using program performance information. Through the WID Officer, the Program Office is also responsible for coordinating, summarizing, and reporting required WID data.

Senior Mission Managers

The primary responsibilities of Senior Managers are to ask the right questions, to make sure they get the information that answers those questions, and to use that information, as appropriate, in major program and strategy decisions. Unfortunately, this is much easier said than done. AID has provided few incentives for, and has had little experience with, performance-oriented program management. It is therefore critically important that Senior Mission Managers continue to ask hard performance questions, clearly communicate disatisfaction when performance information is indadequate, directly demonstrate that good performance information will be used in decision-making, and appropriately reward staff who obtain and use appropriate performance information to improve program results.

D. Other Management Implications of a Program Perspective

In addition to the direct implications of adopting a program perspective for collecting and using performance information, such an approach has the following other, more subtle, implications for internal management:

1. Program management would best be served by having an individual assigned responsibility for each program objective and target. As presented in this report, several key objectives lack an assigned locus of responsibility (i.e. an individual who feels it is his or her responsibility to ensure that the objective is met). Similarly, the decision that a cross-cutting issue is important should have the implication that some individual, at a minimum, be assigned responsibility for doing the necessary monitoring.

2. Multiple linkages within a portfolio are both good and bad. On the one hand, such linkages reflect and encourage increasing program consolidation. On the other hand, most such linkages need active management in order to be effective. We were struck by the number and range of potential linkages within the USAID/Kenya portfolio, and by the fact that most of those linkages are currently unrealized. Examples include agribusiness, agricultural research and extension, capital market development (PRJ and RHUDO), and uses of HRDA and PVO co-financing. An objective tree displays the logic of these relationships, but only genuine management action breathes life into them.

3. Increasingly, programmatic objectives need to be regarded as the yardsticks by which success is judged. That means using every opportinuty to reinforce the "impact message" by focusing on the implications of the issue at hand for the realization of specific sub-targets, targets, and strategic objectives.

4. Collecting and analyzing data takes time and costs money. In our view, the most practical means of providing the needed support given current Mission financing and OE limitations would be through a modest PD&S "project" managed by the Program Office. The functions of such a project would include M&E planning, hands-on data collection from secondary sources, simple analysis, information packaging, and the provision of assistance to the various offices of the Mission in these areas. Much of this work would presumably be done by individuals resident in Kenya, but some outside technical assitance might also be entailed.

IV. PRELIMINARY PROGRAM INFORMATION PLANS

A. Private Enterprise Program

Background

USAID/Kenya's PRE program (including project and non-project assistance & policy dialogue) has been frankly experimental, encompassing a wide range of interventions aimed at improving managerial and entrepreneurial abilities, enhancing the capabilities and services of private sector support organizations (in particular, credit providers), and improving the broader policy environment for private sector investment. While these efforts have demonstrated that the A.I.D. program has great potential, the major impact of the private sector program thus far has been through targeted assistance that has improved the performance of a relatively small number of businesses and support organizations.

The Mission seems anxious to adopt an ambitious private sector objective, and the stage may have been set for a more focused private sector program aimed at substantially expanding private investment in Kenya and thereby significantly improving the availability of jobs and income for large numbers of Kenyans. The likelihood of achieving these aims is enhanced by the increasing extent to which the Mission's agricultural portfolio seeks similar objectives. In this regard, it is noteworthy that several relevant agricultural activities are directly interconnected to the PRE "objective tree."

Measuring Program Performance

A number of useful measures of private sector program performance, particularly at higher strategic levels, can be derived from regularly published GOK statistics. Most other performance measures can be derived from, or easily added to, existing or planned project information systems. The need for several specific, small-scale "special studies" can also be anticipated to examine key relationships, assumptions, and related issues (such as equity and Africanization) in greater detail. Topics for other special studies will also likely emerge as problems, issues, or unanticipated results become apparent through routine program and project monitoring. More specifically:

Program Performance Trends:

At the level of program goals, the Mission can monitor and report country trends based on available GOK statistical data on changes in private sector production, employment, income, and foreign exchange earnings. Depending on the availability of data, these trends could be reported annually, biannually, or at longer intervals. If year to year variability is high, the Mission may want to construct and report rolling averages, perhaps at three to five year intervals. To the extent possible, the Mission should also monitor, and if appropriate report, disaggregated data by size of firm, gender of employee, economic sector, etc.

Program Performance Indicators:

At the level of strategic objectives, the Mission could report program performance indicators that are also based largely on available GOK statistical data on private sector investment. This would include information on gross changes in private sector investment over time, changes in the proportion of private to public sector investment, and changes in the magnitude of private sector production as a percentage of GDP and GNP. Again, this data could be reported annually, biannually, or at longer intervals, depending on availability. Given the volatility of investment data, the use of rolling averages based on at least two to three year intervals would appear desirable. To the extent possible, the Mission should also monitor, and if appropriate report, disaggregated data on investment by size of firm, by source (foreign vs. domestic), etc.

To better substantiate the "people-level impact" of increased investment, special studies could be conducted linking such investment directly to increased production, employment, income, and basic human needs, both for owners and employees. This could involve small surveys/impact audits of selected firms; case studies of particular firms, industrial sectors, or enterprise categories (such as micro-enterprises); economic modelling; or some combination. Such special studies might also assess the impact of increased private sector investment for women and for Kenyans of African descent. Separate special studies/impact assessments conducted routinely as part of project M&E could help to establish linkages and parameters (e.g., cost per job created by enterprise size and type). These studies should also measure the direct impact of project interventions on investment, production, employment, and foreign exchange earnings (goals and objectives) for the small number of targeted firms included in those programs.

Program Performance Benchmarks:

At the level of program targets and subtargets, most program performance benchmarks will be based on project purpose and output data which should be available from existing or planned M&E systems. This could be supplemented by special studies tracking the indirect effects of project interventions on private investment institutions, incentives, and performance. Most of these special studies, and many similar studies at higher strategic levels, could be conducted either as a part of project M&E or through project-supported policy analysis institutions.

Most direct service delivery data--the amount, beneficiaries, and cost of technical assistance, training, and credit activities--are already being tracked by existing project M&E systems, but are useful primarily for project management. Adding impact audits (a kind of special study), as recommended in the recent PRE evaluation, would provide additional information on the extent to which financial intermediaries are actually changing their credit practices--a useful preliminary indicator of "broadening and deepening of financial markets." Similar "impact audits" (most

likely small surveys or case studies) could assess changes in business practices and investment patterns of entrepreneurial training participants. More important indirect effects of institutional development efforts (increases in demand for services and replication and diffusion of service delivery by a broader range of institutions) will, however, be more difficult to track. If aggregate measures of lending patterns of banks and other intermediaries are available, this could provide one basis for tracking larger changes in lending behavior. Special studies of lending practices of non-targeted institutions, or of the experiences of entrepreneurs seeking credit, might provide another useful alternative. Much of this service delivery data could provide the basis for quantitative benchmarks once a baseline is established.

Benchmarks for assessing the performance of equity and venture capital markets should be somehat easier to establish since they involve a relatively small number of institutions. Measures of the volume of funds available for equity and venture capital investments (and the characteristics of firms being funded) should be routinely available from the Kenya Stock Exchange and venture capital organizations. This data might be supplemented by special studies further examining the characteristics of firms, the uses of financing, and the direct impact of financing on production, employment, income, and foreign exchange earnings (to further validate objective and goal level linkages).

Preliminary benchmarks for "strengthening the base of indigeneous entrepreneurship" could be obtained through routine monitoring and "impact audits" of AID-funded participants.

At present, the Mission is implementing relatively few activities (other than policy studies) to promote foreign investment or exports. Assessments of results from this "policy dialogue" effort could be based primarily on disagregated statistics at the strategic objective level. If AID mounts more focused promotion activities (such as EPZ's, trade fairs, public education campaigns, bilateral investment boards, etc.) project M&E systems should provide appropriate benchmarks based on service delivery and investment decision data. To the extent that relationships with foreign firms are promoted by USAID/Kenya on an ad hoc basis, establishing a simple but systematic log of such activities would provide an adequate basis for periodically reviewing the nature and impact of these efforts.

Benchmarks for "improved policy environment" could begin with a checklist of key policy changes proposed, approved, implemented, or rescinded by the GOK. This could be updated periodically (perhaps as part of the "policy inventory" update discussed later) as a basis for policy dialogue and policy study decisions. The checklist could be supplemented by special studies tracking the implementation of policy reforms and their affects on targeted institutions (financial intermediaries, equity markets, venture capital markets, training institutions, foreign investment incentives, etc.).

B. Agriculture Program

Background

USAID/Kenya's Agricultural Program encompasses a broad range of interventions from assistance to agricultural higher education to support for agricultural inputs and technologies. Some projects, such as those developing new technologies for goat husbandry and on-farm grain storage, promoting fertilizer use, and supporting Egerton University, have been underway for a number of years. Other projects are quite new. While the results of individual projects are reasonably well understood, the broader impact of the Agricultural Program is far less clear.

At present, the Mission's Agriculture Program appears to be evolving a clearer focus on technological and marketing improvements aimed at increasing agricultural productivity (farmer net income per hectare for selected crops). To further this objective, the Agriculture Office is currently designing a new Market Development Project and a new Institutional Development Project at Egerton University.

Measuring Program Performance

A more detailed initial plan for Agricultural Program information is presented as Annex 1 below. This section highlights several conclusions emerging from that plan.

Comprehensive data on farmer net income per hectare for selected crops are not currently available, although some component information has been obtained. Adequate indicators for improvements in agricultural productivity will require additional data and analysis that combines existing and new sources of information in a consistent fashion. The Mission can either collect this data directly, collect it through existing GOK agencies (such as KARI or the Ministry of Agriculture), or some combination.

The Policy Analysis Matrix (PAM) appears to be a particularly promising tool for obtaining much of this program performance data. PAM is currently being implemented in conjunction with the IDAT project at Egerton University and may also become part of the developing KMDP project. The Agriculture Office anticipates that PAM will generate much useful information on farm net income and agricultural productivity. PAM would include, for example, data on ten key commodities in important agricultural regions that could be used to generate net farm income (value added) strategic objective indicators. (See, for example, the Agriculture Office's May 1989 paper, "Agriculture Development in Kenya in the 1990's, The USAID Strategy.") Information from PAM could be supplemented by data from the Farm Management Section of the Ministry of Agriculture, particularly if that office makes time series data available.

Program Performance Benchmarks

While PAM can meet many program-level information needs and provide some relevant project data, most projects will require important additional information. The Agriculture Office needs to develop an overall monitoring and evaluation plan to coordinate these efforts and ensure that common measures are used whenever possible.

At the target level, reliable data are currently lacking on almost all key objectives. As discussed in Annex 1, there are common needs arising from several projects for the measurement of changes in marketing costs, improved incentives, and technology packaging and dissemination. Much of this information simply does not exist at this time. Consideration should be given as to how this information could be generated so as to minimize duplication and ensure comparability.

At the sub-target level, information is currently generated by individual projects, but often does not address upward linkages in the objective tree. As at the target level, consideration needs to be given to developing monitoring and evaluation systems that meet both project and program level needs. Finally, it should be noted that various agricultural projects have policy components--either explicitly or implicitly through generation of "lessons learned." These should be identified in the context of the Mission's policy agenda and associated information needs should be met in a coordinated fashion.

C. Other Program Areas

Population

The population program has a well-established strategy, set of indicators, and information systems. Nothing in the objective tree suggests any major changes in the office's objectives or its evaluation methods. If anything, the implication of the proposed approach would be increased selectivity on the indicators used for program monitoring and reporting. Major outstanding issues include the extent to which demand promotion constitutes a significant Mission target, the extent of continuing involvement by the Mission in promoting cost-sharing as a means of improving availability of family planning services, and the role of child survival activities within the Mission's portfolio.

HRD

The principal projects of the HRD office--Training for Development, PVO Co-financing, and HRDA--have implications for each of the Mission's three strategic objectives. Each project also has implications that go beyond these strategic objectives. Insofar as institutions and individuals supported by HRD projects are directly supportive of the Mission's principal strategic objectives, they should be monitored and evaluated in terms of their contribution to those objectives and directly linked to the associated targets noted on the objective tree. To the extent these activities reflect separate targets of opportunity, they are discussed below.

D. Targets of Opportunity

As noted above, our review of the Mission's portfolio suggests that several of the projects included (or likely to be included) are best regarded as targets of opportunity. Some thoughts about the monitoring and evaluation of these areas are presented in the following paragraphs.

Improved Economic Mangement by the GOK

A secondary objective of the A.I.D. program is to improve economic managment by the government of Kenya. The Mission's efforts in this area are focused on rationalization of the planning and budgeting process and on various efforts to promote cost sharing and reduced government involvement in the provision of goods and services. Included are a variety of policy dialogue efforts and specific project interventions aimed at promoting critically needed policy change and improving the management and analytical capabilities of key public organizations. Notable activities include computerizaton of the budget process, health care financing, tax modernization, and the RMRD project.

The achievement of substantial improvement in GOK management is well beyond A.I.D's own manageable interest. The World Bank and IMF are major proponents of policy reforms in this area, and implementation of such reforms is affected by political and environmental factors over which donors (and the GOK) have little if any control. Economic Management activities are therefore perceived as an especially important target of opportunity--one with which A.I.D. is greatly concerned, towards which it will work cooperatively with the GOK and other donors, but for which it can only realistically expect to have limited and specific impacts. USAID/Kenya will track the results of specific project and policy efforts in this area (at the level of targets and benchmarks) and also expects to track broader country trends towards economic liberalizaton.

Leadship Development

The Mission's Training for Development Project is in the process of exploring the feasibility and implications of a focus on "leadership" versus a more traditional emphasis on participant training and skill enhancement. If the project chooses to stress participant training, emphasis will probably be placed on reinforcing the Mission's strategic objectives. If, however, the project ultimately chooses to stress leadership, and the Mission thereby takes on leadership development as a target of opportunity, there are obvious implications for participant selection, the training provided, and the follow-up activities undertaken as part of the project.

From a monitoring and evaluation perspective, participant training should be assessed in term of the impact of training on the behavior of participants and the performance of their organizations. Relatively well established methodologies exist for this purpose.

If, on the other hand, the program focuses on leadership, the unit of analysis should be the nature of the leadership displayed by individuals following training. Evaluation methods in this area are relatively undeveloped, principally because of the lack of agreed definition of leadership and effective leadership behavior.

PVO Co-financing

As with leadership, HRD is currently reviewing the options with regard to the future of the PVO Co-Financing Project. Adopting an emphasis on institutional strengthening, as they are considering, would probably result in the decision to focus on a limited number of PVOs. Should these PVOs be chosen from those supporting the Mission's core strategic objectives, there would be no need to include PVO Co-Financing as a separate Target of Opportunity. Should a set of PVOs be selected who would otherwise be outside of the portfolio, monitoring and evaluaton would require establishment of explicit performance criteria for the PVOs selected. In either event, strengthening efforts should be assessed in term of indicators such as those noted in the section of this report (under "Cross-Cutting Issues") that discusses "institutional strengthening." A separate, project-funded, evaluation would almost certainly be required for this purpose.

Child Survival

Child survival is viewed by the Mission both as instrumental to the Mission's family planning objectives and as an end in itself. In this latter regard, well established indicators and measurement systems exist to ascertain changes in infant mortality and morbidity and to relate these to the delivery of specific health interventions.

Wildlife

The Mission is considering undertaking a new project in wildlife development focused principally on improved park management. The project is expected to have considerable visibility and public relations value in addition to its economic impact. While such a project could no doubt be rationalized in the objective tree in a variety of ways, it would seem more appropriate to regard it as a target of opportunity and to report on it accordingly. Precise notions about a monitoring and evaluation system for this project should obviously await clarification of the project's principal objectives and activities.

Title II

The Mission has a Title II program that includes food for work and institutional feeding elements. These elements contribute indirectly to stated objectives related to child survival and agricultural production, but it would probably be inadequate to evaluate food aid activities in those terms alone. A.I.D. has relatively well established procedures for monitoring and evaluating Title II activities, and these procedures would presumably be appropriate in the Kenyan context.

E. Cross-Cutting Issues

In addition to strategic objectives and targets of opportunity, there are several cross-cutting issues of apparent interest to the Mission. These include:

-participation by women in Mission activities;
-policy reform;
-insitutional strengthening;
-training;
-PVO's;
-privatization; and
-financial implementation of USAID activities.

Initial thoughts about the generation and use of data regarding these issues are presented in the following paragraphs:

Participation by Women

AID has introduced increasing consistency in the ways in which it monitors and reports on the participation by women in its development activities. Guidelines are presented in Annex 2 of this document. As a minimum, these requirements entail gender disaggregation of beneficiary data. It would appear both straightforward and desirable to summarize and review this data at least once per year as a means of monitoring performance. Responsibility for this review, which would be held in conjunction with PIR or Action Plan preparation, should probably reside with the Program Office or the Mission's WID Officer. This analysis requires that all project and program informaton systems disaggregate their data by gender and would profit greatly by the establishment of the training informaton system recommended below.

Policy Reform

The Mission is engaged in an ambitious array of policy reform activities. Those items currently or soon to be included in the Mission's policy dialogue have been gathered in what we have labeled a "Preliminary Policy Inventory" (see Table 1).

There are a variety of reasons for maintaining a consolidated list of such items, reviewing and updating this list from time to time, and perhaps undertaking cross-cutting assessments of the Mission's effectiveness in selected areas. We suggest that such a Policy Inventory be maintained by the Program Office and updated semi-annually in conjunction with the PIR and Action Plan process. An operational format might include the following four column listing:

Policy Item / Project / Responsibility / Target Date

Table 1

PRELIMINARY POLICY INVENTORY
(by strategic objective)

1. Increase Private Investment

- Strengthen Capital Markets
- Inaugurate an effective Capital Markets Development Authority
- Strengthen Stock Market
- Strengthen Venture Capital Market

2. Increase Farmer Net Income per Hectare for Selected Crops

Fertilizer Program

- Decontrol fertilizer prices
- Maximize timely imports of fertilizer
- Minimum growth of 5% per year in total fertilizer imports
- Focus availability of fertilizer on small farmers (publicity, availability, and packaging)
- Strengthen fertilizer unit of MOA

Research

- Budget rationalization of agricultural research budget

KMDP

- Eliminate movement controls
- Eliminate selected commodities from list of scheduled commodities.
- Disseminate accuarate and timely market information on crop forcasts and market prices
- Implement food security plan
- Reduce role of NCPB to buyer and seller of last resort
- Implement policy of direct wheat importation and develop an import monitoring plan
- Provide budget support of infrastructure projects under KMDP

3. Increase Contraceptive Prevalence

- Social marketting of contraceptives

4. Targets of Opportunity

Economic Management

Structural Adjustment
- Budget rationalization (budget deficit reduction)
- Computerize Government budget process
- Increase tax collection efficiency
- Revised import licensing schedules
- Debt monitoring and accounting
- Increased monitoring of Parastatal loans

Health Care Financing
- Introduce cost-sharing and retention of fees at facilities
- Increase level on non-donor financing for preventive and primary services within MOH recurrent budget.
- Implement cost-sharing program at Kenyatta Hospital
- Review and revise contributions to National Hospital Insurance Fund to level of health risk and cost of treatment
- Undertake program to assess options for improved health services efficiency

Privatization

A.I.D. requres Missions to prepare and submit privatization plans. In addition to the items included by the Mission in past and current plans, the portfolio provides a rich array of elements, large and small, representing increased use of private sector delivery mechanisms and institutions. These include such things as:

private sector family planning;
use and strengthening of private consulting organizations in the AMP project;
increased role for ccmmercial intermediaries in development banking;
possible privitization of Egerton student services;
etc.

An annual review and consolidation of the Mission's efforts to promote private sector delivery mechanisms would appear to be valuable not only for purposes of external reporting but also to maintain a focus by Project Officers and Office Directors on this cross-cutting objective. Responsibility for this review should probably reside with the Projects Office and should be used to generate discussion about how to continue to expand the use of private sector delivery mechanisms within Mission programs.

Institutional Strengthening

While it is not, and should not be, a strategic objective of the Mission, many of the Mission's activities focus on what can be loosely described as "institutional strengthening." The institutions involved include:

KARI,
Egerton University,
IPC,
KAM,
KEC,
REP,
Kenya Stock Exchange,
Various PVOs,
Various Agricultural Input and Marketing Organizations,
Ministry of Health,
Ministry of Planning,
Treasury,
etc.

We would suggest that a consistent approach be used in monitoring and evaluating the success of these institutional strengthening efforts. Such an appproach would focus on five types of indicators for each of the institutions assisted, namely:

- Changes in the nature of the goods and services provided by the organization to better reflect the needs identified by project designers;

- o Improvements in the quantity and/or quality of output of the organization's principal products or services, or in the efficiency with which the organization produces these outputs;

- o Increases in demand for, willingness to pay for, and/or satisfaction with the organization's pincipal products or services;

- o Improvements in the organization's prospects for financial self-sufficiency in the absence of USAID funding (although such self-sufficiency could include other sources of subsidy, if such subsidies are considered to be relatively reliable over time);

- o Improvements in the organization's prospects for technical self-sufficiency in the absence of USAID funding.

While there is no obvious need to maintain a central point of oversight for the Mission's institutional strengthening activities or to report on these activities collectively, there would appear to be much to be gained by employing consistent evaluation methods and performance criteria and by periodically examining the portfolio of interventions (perhaps in a retreat setting) to identify and transfer lessons learned.

Training

The Mission has two major training projects--HRD and Training for Development--in addition to major training components in a number of its other projects. Wherever these efforts involve training outside of Kenya and PIO/Ps are involved, information is consolidated in the Participant Training Management System maintained by HRD. This information currently dates back to 1978, is in a dBase system, and includes data on:

participant's name,
date of birth,
sex,
position,
employer and employer address,
project number,
type and level of training,
field of study,
training institution, and
departure and return dates.

At present, this information system is used entirely on a demand basis and appears to be relatively under-utilized. A desk review of the nature and magnitude of USAID's work over the last decade in participant training would appear to be of obvious value and to require minimal effort. Prospectively, a cross-cutting review of participant training activities would form an interesting 3 or 4 paragraphs in future Action Plans and a possible area for ongoing discussion with the GOK.

To the best of our knowledge, no systematic means currently exists for collecting and summarizing data on the participants receiving in-country training (or consulting) funded by USAID. The Projects Office has initiated a system to collect and consolidate this information on individuals participating in the Private Enterprise Programs it supports, and HRDA includes a comparable system. Expanding and integrating these systems to include the other sectors of the Mission's program might be of value. As a minimum, such a system would allow the Mission to report on indicators such as training for women in a straightforward manner and, when combined with lists of loan recipients, would provide a basis for generating a contacts file for future activities. If such an effort is deemed worthwhile, HRD would appear to be its obvious locus.

Few of the Mission's training efforts, either overseas or in-country, appear to involve any systematic procedure for following up on past participants to ascertain impact or to maintain participant networks. Some system of tracer studies might be indicated for certain of the Mission's more significant training efforts. The feasibility and value of establishing a consistent set of client records and analyses for in-country training activities remains, however, an area of uncertainty as far as this team is concerned. As a minimum, it would seem desirable to prepare consolidated lists of courses provided, diplomas, numbers of participants (by gender) and subject matter.

PVOs

As in the case of training, the Mission and A.I.D./W have a distinct interest in issues relating to the use of NGOs/PVOs. A rough estimate suggests that the PVO Co-financing Project represents less than 20% of the Mission's involvement with PVOs. While certain of the Mission's efforts entail the use of PVOs essentially as contractors, many activities include explicit provisions for institutional strengthening and other forms of direct support.

Relatively little effort would be involved in someone (presumably in HRD) preparing and maintaining an inventory and augmenting the Mission's annual report on activities with PVO/NGOs. The establishment of such a monitoring system could also have the secondary effects of promoting greater exchange of lessons learned, more consistency in approach, and improved linkages between the PVO Co-financing Project and the Mission's other PVO/NGO activities.

Financial Implementation

The best example within A.I.D. of the generation and use of cross-cutting data concerns data on the financial implementation of programs and projects, particularly data on obligation rates, pipeline, and mortgage. In our view, the Mission makes extensive and effective use of this data, and we have no recommendations for improvements. In fact, one way of viewing the current excercise would be as an attempt to equip the Mission to use program performance data with the same level of versatility and "operationality" that it currently uses financial data.

V. NEXT STEPS

Several next steps would appear to follow from the observations and recommendations discussed above. These include the following suggested actions:

1. Clarify/Finalize the CDSS, particularly strategic objectives, targets, and substantive linkages among Mission activities.

2. Prepare a New Mission Evaluation Order focusing on roles and responsibilities and information utilization.

3. Reorient Evaluation Schedule in Upcoming CP and ABS to reflect initial program information needs.

4. Include Explicit Analysis of Program Performance and Cross-Cutting Issues as part of Future PIR and Action Plan Reviews.

5. Develop a Small PD&S Program or some other suitable mechanism to support the Evaluation Officer in providing the Program Office and Technical Offices with hands-on assistance.

6. Begin planning, preparing, and implementing revised program level M&E systems.

ANNEX 1

MORE DETAILED INFORMATION PLAN FOR THE AGRICULTURE PROGRAM

AGRICULTURE PROJECTS AND THE OBJECTIVE TREE

USAID/Kenya's agricultural portfolio (encompassing projects currently being implemented and those at an advanced design stage) includes

1. National Agricultural Research,
2. On-Farm Grain Storage,
3. Small Ruminants Collaborate Research (SR-CRSP),
4. Institutional Development for Agricultural Training (IDAT),
5. Agricultural Management (AMP),
6. Fertilizer Marketing,
7. Resource Management for Rural Development (RMRD), and
8. Kenya Market Development (KMDP).

Discussions with Mission staff, particularly within the Agriculture Office, identified the strategic objective of

> Increased Farmer Income per Hectare for Selected Crops

as being within the Mission's "manageable interest" and adequately encompassing the Mission's principal agricultural interventions. The achievement of this strategic objective would contribute to the Mission's larger goal of

> Increased Production, Employment, Income, and Foreign Exchange Earnings.

The Mission expects to increase farmer income by achieving two broad targets:

> the development of more efficient market and incentive systems and
>
> the adoption of improved technologies.

The proposed agriculture strategy does not include a separate food security objective nor an objective of creating more effective demand in agriculture (as was suggested in the Agricultural Office's January 12, 1989 Monitoring and Evaluation Report). In the Mission's view, efforts to increase productivity for traditional crops (such as maize and beans) will contribute to more adequate domestic food production, while broader efforts to increase value added per hectare will expand family purchasing power, part of which would be used to

buy food. Other food security activities, separate from Mission efforts to achieve sustained and broad-based economic growth (such as support for the GOK's buffer stock program) are excluded.

Although small farmers are not separately identified as key beneficiaries, the goal of "broad-based" growth implies at least some emphasis on smallholders. Since smallholders contribute significantly to the production of traditional crops, by directing efforts toward these crops the Mission will be at least indirectly targeting the inclusion of smallholders in an expanding economy. Appropriate disaggregation of monitoring (by size of farm and type of crop) would provide useful data on the Mission's contribution to such cross-cutting "equitable growth" objectives.

The goal of "increased production, income, employment, and foreign exhchange earnings" and the strategic objective of "increased farmer income per hectare" clearly involve results that reach well beyond individual agricultural projects. Annual data from the national income accounts should provide adequate information on goal-related trends. However, while national, crop-specific, data should provide much useful information on income per hectare, it will almost certainly need to be supplemented The national data are simply not sufficiently disaggregated to permit detailed analysis of the impacts of A.I.D. interventions. As discussed below, the Policy Analysis Matrix and other project-level data collection components could play an important role in meeting many of these information needs.

Most of the information needed to assess achievements at lower levels of the objective tree (targets and subtargets) can be generated through regular project information systems, supplemented by ocassional special studies to clarify linkages between project activities and higher level impacts. While some projects have outputs and purposes that are closely linked to the relevant strategic objective for agriculture, others are more distantly related. A suggested ranking of the eight agriculture projects by this standard is presented in Chart A1. The Small Ruminants and the On-Farm Grain Storage Projects, for example, appear to be closely related to the strategic objective, since both projects encourage the adoption of improved technologies. The Institutional Development for Agricultural Training Project (IDAT), on the other hand, is much more distantly linked. While IDAT should produce many more well-trained agriculturalists, a number of intervening steps must occur before this results in "increased farmer income per hectare."

INFORMATION NEEDS FOR THE AGRICULTURE PROGRAM

Program information needs primarily involve higher-level objectives that that go well beyond the results of individual projects. While most project inputs and outputs are already

CHART A1

DISTANCE OF PROJECT OUTPUTS AND PURPOSES FROM THE CONTEMPLATED
STRATEGIC OBJECTIVE FOR THE AGRICULTURAL PROGRAM OF USAID/KENYA

DISTANCE OF PROJECT OUTPUTS AND PURPOSES FROM THE STRATEGIC OBJECTIVE FOR AGRICULTURE	CLOSE	Small Ruminants Collaborative Research Project On-Farm Grain Storage
		National Agricultural Research Project (KARI) Kenya Market Development Program Fertilizer Marketing Program
		Agricultural Management Project
		Institutional Development for Agricultural Training
	FAR	Resource Management for Rural Development

STRATEGIC OBJECTIVE FOR AGRICULTURE:

INCPEASED FARMER NET INCOME PER HECTARE

routinely assessed through project monitoring, this does not necessarilly provide a good indication of program-level performance. The balance of this section discusses six major program information needs that emerged from a review of the agricultural portfolio. The potential role of the Policy Analysis Matrix is meeting many of these needs is then examined. The final section reviews each project's information needs in relation to program information requirements.

INFORMATION NEEDS FOR THE AGRICULTURE PROGRAM

1. Crop Substitution

Individual agricultural projects should directly contribute, often on a crop-specific basis, to "lowered marketing costs and improved incentives" for agriculture and the "adoption of improved technologies." Particularly in the short- and medium-term, this should result in an increase in net income per hectare for the affected crops. Improved roads, corn seeds, and fertilizer usage, for example, should increase per hectare net income of land planted in maize.

In the longer-run, however, focusing on increased productivity for selected crops may be insufficient. To take advantage of many of the policy changes, information improvements, and increased input availability that the Mission's interventions seek, farmers will need to shift land use and substitute crops (and livestock) according to market conditions. It is conceivable, for example, that with greater competition net income per hectare for maize could actually fall, but that total net income per hectare could still rise substantially because of a shift of acreage into horticultural crops for export. Thus, at least in the longer-term, the Mission should measure net farm income across many crops, not simply those crops for which the Mission is most actively involved.

Because of crop substitution possibilities, it is important to

CHART A2

INFORMATION ON ADOPTION OF TECHNOLOGY
BY SELECTED AGRICULTURAL PROJECTS OF USAID/KENYA

AMOUNT OF INFORMATION ON THE ADOPTION OF PROJECT-RELATED TECHNOLOGY GENERATED BY THE PROJECTS THEMSELVES	MORE	Small Ruminants Collaborative Research Project On-Farm Grain Storage
		National Agricultural Research Project (KARI)
		Fertilizer Marketing Program
		Agricultural Management Project
	LESS	Institutional Development for Agricultural Training

at Egerton University generates very little data on technology transfer, although this presumably is the major linkage between support for university research and teaching, and increased farm income.

The Mission's agriculture projects have a common need for better information on technology adoption. Consideration should be given to how such data can be obtained in the most cost effective, non-duplicative fashion. It may be possible to utilize the Kenya Agriculture Research Institute, or other project-supported agencies, to collect and analyse information on the adoption of improved technology for the entire agriculture portfolio.

3. Dissemination of Technology

Several projects depend on other agencies to disseminate technologies that they develop. Key organizations involved in the diffusion of improved technologies include the Ministry of Agriculture's Extension Service, Egerton University, the University of Nairobi, and vendors of agricultural inputs.

The effectiveness of these organizations in disseminating improved technology needs to be assessed. The Extension Service should, as part of its own management, generate information on its technology transfer efforts (farmer attendance at demonstrations, bulletins distributed, etc.). This information could be supplemented by independent studies.

4. Lower Marketing Costs and Improved Incentives for Selected Crops and Inputs

The Agricultural Management, Fertilizer Marketing, and Market Development Projects are linked to increased farmer net income through their impact on lowering marketing costs and improving agricultural incentives. Here again, there are common information needs which should be met in a coordinated fashion.

5. Reorienting the Resource Management for Rural Development Project

This project's purposes appear to be more closely tied to the "target of opportunity" of "improved economic management by the GOK" than to the agricultural strategic objective. The Mission should either assess this project's performance in terms of its contribution to improved economic management or reorient the project to link it more closely to the objectives of the agriculture program.

6. Policy

The policy elements of various agricultural projects have never been clearly related as part of a coordinated agriculture program or with regard to the Mission's other policy

initiatives. These relationships should be clarified and a uniform approach to information needs developed. The clarification of the Mission's overall "policy agenda" (as discussed in the body of this report) could be an important first step.

POTENTIAL ROLE OF THE POLICY ANALYSIS MATRIX

The Research and Training in Agricultural Policy Analysis sub-project, currently underway at Egerton University, uses the methodology known as the Policy Analysis Matrix and is often referred to by the acronym PAM. At present, PAM is being carried out in conjunction with the IDAT project, but may in the future become part of the KMDP. Results from PAM's first phase will be presented in a November 1989 seminar.

The Agriculture Office anticipates that PAM will be useful in assessing the agricultural strategy. The Office's May 1989 paper, "Agriculture Development in Kenya in the 1990's," for example, cites PAM's potential for providing better information on farm net income and agricultural productivity. While information from the Farm Management section of the Ministry of Agriculture may also be relevant, particularly if time series data are available, the disaggregated data of PAM should be even more useful. PAM is expected to provide data on ten key commodities in important agricultural regions of Kenya, including information on

1. Value of Output
2. Input Costs
   a. Raw Materials
   b Tradable
   c. Factors
      i. unskilled labor
      ii. skilled labor
      iii. capital
3. Profit

The objective of increased farmer net income can be considered essentially equivalent to increased value added. And, value added equals the value of output minus goods and services that are purchased from other firms. In income terms, value added equals the value of factors of production used at this stage of production. Assuming that raw materials and tradable inputs in the PAM format are purchased from other firms, then:

Value added = Value of Output - Cost of Raw Materials - Cost of Tradable Inputs

= Cost of Unskilled Labor + Cost of Skilled Labor + Return to Capital + Profits

Data available through PAM should meet many program-level agricultural information needs, as well as information needs of individual projects. But project information systems can also directly provide other important program-level information, provided data collection and analysis efforts are coordinated and key variables are commonly defined. Approaches to measuring technology adoption for the On-Farm Grain Storage, Goat Technologies, and other relevant projects, should, for example, be as standardized, comparable, and aggregatable as possible.

INFORMATION NEEDS OF INDIVIDUAL AGRICULTURE PROJECTS

The following sections focus on program level information needs in relation to information sources and systems of each of the eight individual agricultural projects.

National Agricultural Research Project (KARI)

The purpose of the National Agricultural Research Project is to develop a well-managed national agricultural research system that provides appropriate technologies to increase agricultural productivity on a continuing basis. To achieve this purpose, the project established a central organization, the Kenya Agriculture Research Institute (KARI), and is now often referred to as the KARI project. KARI seeks to strengthen research planning and management, has initiated a maize and sorghum/millet commodity research program, and has already sent 23 MS candidates for training in the United States. KARI's new director wants to more closely coordinate the Institute's activities with Egerton University, and to carry out a significant portion of the Institute's research on a fee-for-service basis for clients that will include private firms.

KARI contributes directly to the development of improved technologies, a program target that is linked to increased farmer net income through the intervening variable of technology adoption. To validate this link, information will need to be obtained not only on technology development, but also on technology adoption and on the impact of adoption on agricultural productivity. Possible indicators and data sources are suggested In Items 1 and 2 of Table A1. The strategic objective of "increased farmer net income for selected crops" does differ somewhat from the project's goal (as stated in the logical framework) of increasing national food security through "stable farmgate and food prices" and

TABLE A1

NATIONAL AGRICULTURAL RESEARCH PROJECT
SELECTED INFORMATION NEEDS, INDICATORS, AND DATA SOURCES

ITEM	INFORMATION NEEDS	INDICATORS	DATA SOURCES
1.	Impacts of adopted technologies on per hectare farmer income	Physical output and net income measured on a per hectare basis for selected crops	Project and Ministry of Agriculture data
2.	Adoption of new technologies	(See the Project Logical Framework)	Project data, including adoption by the fee-paying clients of KARI
3.	Adequacy of Ministry of Agriculture Extension Service as vehicle to deliver technologies	Number of extension contacts and resulting adoption rates	Project, SR-CRSP, and Ministry of Agriculture data
4.	Concentration of KARI on contract research for other organizations, including, notably, private firms	Percentage of costs recovered from client fees	KARI data
5.	More effective use of KARI's budget	Progress toward a 60/40 split of recurrent/development spending	KARI data

an "improved rate of growth in the agricultural sector." These project objectives may not be entirely consistent with program-level productivity goals.

Given the critical role of the Ministry of Agriculture's Extension Service in transferring improved technologies to farmers, the Service's effectiveness should also be monitored (Item 3), particularly since this role is important for other Mission agricultural projects. Additional information that will be needed to assess KARI's shift towards contract research and towards a more effective utilization of its budget are covered in items 4 and 5 of Table A1.

On-Farm Grain Storage

The purpose of this project is to increase the use of more effective on-farm grain drying and storage practices, thereby reducing grain losses and increasing the availability of grain for family consumption and sale. In addition to directly reducing physical losses, on-farm storage can provide farmers with the flexibility to sell crops later in order to take advantage of the tendency of prices to increase in the months following the peak harvest. Given such flexibility, farmers should be able to avoid selling their crops at a low initial prices, only to have to to buy back grain later for family consumption at much higher prices.

Information needed to assess the adoption of improved grain technologies (as identified in the project's logical framework) is cited in item 2 of Table A2. However, further information and analysis will be needed to relate the adoption of this technology to the objective of increased farmer income per hectare. For example, even the apparently straight-forward calculation of the value of the savings from the reduction of physical losses will require careful consideration of what "average" grain price to apply.

While increasing the flexibility of farmers in the timing of grain sales is unlikely to have much affect on overall agricultural productivity, it could substantially affect the distribution of farming profits. Instead of being forced to sell at low harvest price to wholesalers who have silos for storage, farmers could personally store more of their crop either for home consumption or later sale. This should increase the net income of farmers and reduce the net income of wholesalers. If the present market for wholesale grain storage is oligopolistic, on-farm storage would redistribute excess profit back to the farmers and could contribute to more efficient resource allocation and increased productivity. In any event, profits would be redistributed from middlemen back to farmers, particularly smallholders who are targetted as key beneficiaries, contributing to the "broad-based" growth which both the GOK and the Mission seek. As more and more farmers

TABLE A2

ON-FARM GRAIN STORAGE PROJECT
SELECTED INFORMATION NEEDS, INDICATORS, AND DATA SOURCES

ITEM	INFORMATION NEEDS	INDICATORS	DATA SOURCES
1.	Impacts of adopted grain technologies on per hectare farmer income, including income in kind	Value of savings due to loss reduction and increased revenues due to storage	Special study using Project records and seasonal grain price data.
2.	Adoption by farmers of on-farm grain drying and storage practices	Adoption rates and loss reduction data. (See Project Logical Framework)	Project records
3.	Adequacy of Ministry of Agriculture Extension Service as vehicle to deliver technology packages	Data on capacity and performance (see Project Logical Framework)	Project and USAID records, site inspections. Special study.
4.	Capacity of educational institutions to provide training on the technology packages, and their delivery of such training	Provision of training materials, and staff training in grain technologies. Person-days of training provided.	Project records. Reports by educational institutions.
5.	Delivery of services by individuals trained by the Project	Person-weeks of training in grain technologies by former Project trainees.	Tracer studies with the cooperation of the Ministry of University and other educational institutions

adopt on-farm storage, seasonal variations in prices should also be dampened.

We suggest (item 1 of Table A2) that the Mission conduct a special study to determine the impacts of the adoption of improved grain technologies on farmer net income. The study would consider effective grain outputs, value added per hectare, seasonal price variations, and distributional effects of altered harvesting, storage, and marketing practices.

Items 3, 4, and 5 of Table A2 focus on service delivery by the Ministry of Agriculture and educational institutions in disseminating improved technologies, a key element in technology adoption. The Mission might usefully coordinate the collection and analysis of information on the dissemination of grain technologies with the collection and analysis of similar information for technology transfer aspects of other Projects, such as IDAT, AMF, and KARI.

Small Ruminants Collaborative Research Svstems Project (SR-CRSP)

This project, commonly referred to as the "Goat Technologies" project, has developed and is field testing a dual purpose (meat and milk) goat breed. It has also identified the major diseases relevant to goat husbandry in Kenya and has developed an appropriate vaccine. The project provided support for twenty individuals to receive graduate degrees in the United States, most of whom are currently working for the Project.

As indicated in item 1 of Table A3, information will be needed to better link improved "goat technologies" to the program objective. In lieu of national data on goats, the project may be able to develop estimates of the impact of the adoption of the goat technologies on farmer income. The Project will also need to obtain information on adoption rates themselves (item 2). When adoption is beyond the bounds of the Project, as with the commercialization of the goat vaccine, the project will need to obtain information on adoption rates from vaccine distributors or other secondary sources. The project should also monitor the effectiveness of Ministry of Agriculture efforts to further disseminate improved goat technologies (item 3).

Institutional Development for Agricultural Training (IDAT)

The purpose of IDAT is to strengthen Egerton University and thereby develop and expand the pool of technical and managerial human resources for agriculture in Kenya and Africa. The Project will establish a permanent institutional relationship between the University of Illinois and Egerton University. Project activities include training Egerton staff at the University of Illinois, supplementing Egerton faculty with teaching and research staff on sabbatical leave, improving Egerton's administration, and establishing an Educational Materials Center at Egerton.

TABLE A3

SMALL RUMINANTS COLLABORATIVE RESEARCH SYSTEMS PROJECT
SELECTED INFORMATION NEEDS, INDICATORS, AND DATA SOURCES

ITEM	INFORMATION NEEDS	INDICATORS	DATA SOURCES
1.	Impacts on farmer income from adoption of goat technologies.	Net income	Project data
2.	Adoption of goat technologies by farmers	Numbers of farmers using goat breeds numbers of improved goat, and number and distribution of vaccines	Project data
3.	Adequacy of Ministry of Agriculture Extension Service as vehicle to deliver goat technologies	Number of extension contacts and resulting adoption rates Logical Framework)	Project, KARI, and Ministry of Agriculture data study.

TABLE A4

INSTITUTIONAL DEVELOPMENT FOR AGRICULTURAL TRAINING (IDAT)
SELECTED INFORMATION NEEDS, INDICATORS, AND DATA SOURCES

ITEM	INFORMATION NEEDS	INDICATORS	DATA SOURCES
1.	Impacts of Egerton graduates on the adoption of new technologies	Employment of graduates by organizations which dissiminate technologies	Survey with the cooperation of the Ministry of Agricultural, KARI and other organizations
		Employment of graduates by farms	Tracer study of graduates
		Time spent by graduates in developing, packaging, and disseminating technologies	Tracer study of graduates
2.	Research developed at Egerton University	Published research	Egerton University, KARI, and the Ministry of Agriculture
3.	Dissimenation and adoption of research developed at Egerton University	Farmer-oriented bulletins and other publications. Number of farmers who change practices..	Egerton University, KARI, and the Ministry of Agriculture
4.	Integration of teaching, research, and extension.		
5.	Coordination between Egerton University and the private sector		
6.	Partnership between Egeton university and the private sector		
7.	Contribution of Egerton University to agri-business		

substantial information will be needed to link improved agribusiness management (the project purpose) to increased agricultural productivity.

AMP's information needs are summarized in Table A5. Some items are specifically aimed at linking project results to farming improvements. Other items (such as the demand for consultancies) focus on the assumptions of the project design itself. Finally, some items seek to track effects which were either unplanned or unspecified in the formal project design (such as AMP's impact on Egerton University, on generating "lessons learned" for GOK policymaking, and on accelerating the use of Kenyan consultants--a private sector resource with an interesting potential).

Fertilizer Marketing Program

The Fertilizer Marketing Program is intended to

1. promote fertilizer use and the development of a better fertilizer distribution system in Kenya;

2. provide budgetary support to the Government of Kenya; and

3. provide balance of payments support to the Government of Kenya.

Since its initiation in 1984, the Program has provided more than $40 million worth of fertilizer to Kenya. In the future, the Program is expected to place greater emphasis on progress in areas of fertilizer pricing, import allocation, and marketing.

Although the Program's budgetary and balance of payments support could provide an important basis for economic growth, it appears to have little direct relationship to the Mission's core strategic objectives. Indeed, such support seems more immediately linked to the "target of opportunity" of improved economic management by the GOK. Increasing the use of fertilizer and improving the fertilizer distribution system, on the other hand, should contribute directly to "increased farmer net income" through better marketing and incentive systems and the adoption of new technology.

The Mission hopes that the fertilizer it provides constitutes a net addition to Kenyan fertilizer usage. As suggested in item 3 of Table A6, net increases in consumption should be carefully monitored to ensure that the Mission-supplied fertilizer does not substitute for fertilizer that the Government would have imported anyway. Items 2 and 3 involve information about fertilizer use by farmers, particularly smallholders. Item 4 addresses changes in fertilizer-related policies.

TABLE A5

AGRICULTURAL MANAGEMENT PROJECT (AMP)
SELECTED INFORMATION NEEDS, INDICATORS, AND DATA SOURCES

ITEM	INFORMATION NEEDS	INDICATORS	DATA SOURCES
1.	Measure impacts on farmer income per hectare resulting from: a. inputs provided by AMP-assisted agri-businesses b. marketing services for farmer products provided by AMP-assisted agri-businesses	Additional services and lower costs to farmers from AMP-assisted agri-businesses	AMP contractor and special study
2.	Measure changes in the cost and coverage of input and marketing services offered by AMP-assisted agri-businesses	Varies by AMP client	AMP contractor using information from clients
3.	Indentify linkages between improved management of agri-business and their improved services to farmers	Type and volume of services provided by AMP clients to farmers	AMP contractor using information from clients
4.	Measure changes in the management of agri-businesses resulting from AMP interventions	Increased services of reduced costs	AMP contractor
5.	Measure the demand for consultant services revealed by AMP activities	Requests of AMP clients for consultancies and their willingness and ability to pay for such services	AMP contractor
6.	Describe the availability for Kenyan management and technical consultants	Number of AMP-approved consultants Quality services provided to AMP	AMP roster of approved consultants and AMP contractor
7.	Measure the institutional impact of AMP on Egerton University	Number and breadth of training courses developed.	AMP contractor and Egerton University
8.	Measure needs assessments, consultancies and training provided by AMP	Numbers of needs assessments, consultancies, training provided by AMP measured by costs in dollars and consultant workdays. Time lags between needs assessments, consultancies, and training.	AMP contractor, Egerton University, and external evaluations

TABLE A6

FERTILIZER MARKETING PROGRAM
SELECTED INFORMATION NEEDS, INDICATORS, AND DATA SOURCES

ITEM	INFORMATION NEEDS	INDICATORS	DATA SOURCES
1.	Point of sale and farmgate availability and cost of fertilizer	Fertilizer costs to farmers at point of sale and delivered. Timeliness of availability relative to application need	Ministry of Agriculture Service, Project data, the German assistance program, and vendors.
2.	Fertilizer utilization rates, especially for small holders	Amounts and types of fertilizer used. Proportion of fertilizer utilized by small holders.	Ministry of Agriculture Service, Project data, the German assistance program, and vendors
3.	Net increase on fertilizer consumption	Volumes of fertilizer imported by types	Foreign trade statistics
4.	Changes in fertilizer pricing and import allocation policies	Changes in nominal and enforced policies	Project information

Resource Management for Rural Development (RMRD)

The RMRD project encompasses several elements, including:

1. advice to the GOK on resource utilization;

2. assistance in policy and program formulation for rural areas and small urban centers;

3. assistance in ensuring the compatibility of district level planning with budget rationalization;

4. assistance in identifying links between agricultural productivity and jobs in urban manufacturing and commerce, thereby facilitating private investment; and

5. assistance in institutionalizing district planning and financial management systems.

Principal project activities involve strengthening micro-computer capabilities for district planning and at the Kenya Institute of Administration and providing advice on policies for rural/urban balance. RMRD is expected to be phased out by June 1992.

The RMRP project appears to be linked most directly to improved economic management by the GOK (a "target of opportunity"), rather than to the Mission's strategic objectives for agriculture or private enterprise. Most RMRD activities seek improvements in public sector performance, particularly in the areas of planning and budget rationalization. While the project may have some relevance to "increasing private sector investment" or "increasing farmer net income" (road improvements under the proposed Market Development Program for example, will no doubt be affected by district level investments planned and promoted by RMRD), the linkage is at best peripheral.

If RMRD were just beginning, the Mission might want to more carefully consider possible inconsistencies between the project's government directed (albeit, decentralized) development approach and the Mission's broader emphasis on market liberalization and private sector growth. Given the project's imminent phase-out, such questions would appear moot, as would any significant investment in project-related information.

Kenya Market Development Program (KMDP)

KMDP, currently in the design stage, seeks to develop a more efficient national agricultural marketing system by improving marketing policies and by reducing the costs of agricultural marketing through improvements in infrastructure. Project activities are anticipated to include:

1. investments in physical infrastructure (roads);

2. institutional strengthening to assist government market policy and infrastructure decision-making; and

3. policy changes aimed at improving market efficiency.

Although KMDP's design has not yet been finalized, some preliminary observations about likely information needs can be offered at this time.

All three core project components--road improvements, institutional strengthening, and an improved policy environment--represent well-defined targets and subtargets that directly contribute to "lowering marketing costs and improving incentives" for agriculture. (An improved policy environment should also contribute to increased private sector investment.) The attainment of this larger objective may be measured by assessing differences between farmgate and wholesale prices over time, weighted by volumes.

Since the project's road component is intended to reduce agricultural transportation costs, likely impacts on costs should be a key consideration in choosing which roads to improve and the appropriate (cost effective) standard of road to be attained. The road usage and quality data utilized for these decisions can then serve as a baseline for subsequent evaluations of the impact of the road improvements on transportation costs. As the project proceeds, such evaluations could also refine the process for deciding which roads are to be improved and to what extent. A number of practical approaches for evaluating the impact of rural roads are described in "Rapid, Low-Cost Methodologies for Evaluating Rural Roads," by C. Hermann (Program Design and Evaluation Methods Report #3, available from PPC/CDIE). It may also be possible to use cost factors from international and other Kenyan experience, which relate road improvements to reduced maintenance, fuel and oil, and depreciation costs.

As KMDP's design work continues, it would be useful to clarify the relationship of the project's "policy component" to the project's institutional strengthening activities and to the Mission's other policy initiatives. There may well be significant areas of overlap which could reduce information collection costs and facilitate synergy among projects.

ANNEX 2

EXTERNAL REPORTING REQUIREMENTS FOR USAID/KENYA

Missions are required to report to several external audiences on all levels of their program: from financial plans to their performance in contributing to their Country Program Goal. USAID Kenya, in addition to being subject to external reporting requirements for CDSS, Action Plan, Annual Budget Submission, and Project Implementation Reports, is affected by requirements that affect certain areas of their portfolio or certain issues. These include:

-- Women in Development

-- Child Survival

-- PL480

-- Participant Training

More detailed guidance papers on each of these external reporting requirements are available in the Program Office. In addition to these reporting requirements, any time a Mission uses centrally-funded projects, one of the costs is an additional set of external reporting requirements.

EXTERNAL REPORTING ON THE MISSION'S STRATEGIC OBJECTIVES AND TARGETS

Information reported to: the Africa Bureau in Washington with reports submitted to AFR/DP

Overall Africa Bureau performance reporting is a requirement of the Development Fund for Africa. It is not yet clear to what extent Missions will be required to provide data that could be aggregated for reporting on overall Bureau performance under the Development Fund for Africa. The DFA Action plan states Bureau priorities. It is expected that, over time, country programs will increasingly reflect these priorities, although not all parts of a Mission's portfolio will necessarily contribute directly to their achievement. As programs increasingly reflect DFA Strategic Objectives, there may be some attempt to coordinate the type of indicators Missions report on.

Bureau guidance requires that Missions report on their performance in achieving the strategic objectives and targets in their CDSSs and Action Plans. Action Plan reporting requirements can be found in State 147592 (10 May 1989), Africa Bureau Guidance on Action Plans. This is supplemented by State 283555 (2 September 1989) on The Structure of Mission Action Plans: Strategic Objectives, Targets, and Benchmarks.

ANNUAL BUDGET SUBMISSION

Information reported to: the Africa Bureau in Washington with reports submitted to AFR/DP; DP consolidates all Mission submissions for PPC who in turn pulls together the Agency submission as a whole for OMB

The purpose of the ABS is to report expected uses of the Mission's financial resources for the coming year. This year saw many changes in the ABS guidance in the attempt to computerize and eventually simplify the ABS process. In spite of recent difficulties, the ABS is the basis of the Agency's oldest and strongest monitoring system.

CONGRESSIONAL PRESENTATION

The Congressional Presentation is usually drafted by the Mission and submitted to AFR/W. It is likely that this year it will be drafted by the desk, reviewed by the Mission, consolidated by AFR/DP, and submitted to LEG.

SEMIANNUAL PROJECT IMPLEMENTATION REPORTS

Information reported to: AFR/PD; where necessary, the PDO reorganizes the PIR according to the Mission's strategic objectives and circulates it to the project committee including Desks, DP, TR, MDI, and occasionally PPC and S&T.

Guidance for PIRs comes out from AFR/PD in cable form approximately a month before they are due in to Washington. AFR/PD has recently completed a review of the PIR process and drafted revised guidance.

One major feature of the draft revised guidance is that it requires more explicit reporting on Strategic Objectives and Targets in the Mission Director's overview statement. It is not yet clear how far Missions will be expected to go in terms of detail.

There is an understanding in Washington that there may be little if any change to report at the strategic objective or target level during a given each six-month period; but the change will show up in some six-month period. This system is not designed to force Missions to find something to report on every six months, but simply to have significant changes reported to Washington as soon as possible after they occur.

WOMEN IN DEVELOPMENT

Information reported to: the Office of Women in Development in PPC as well as Africa Bureau Women in Development Working Group

The Administrator has required that all Bureaus and USAIDs reflect sex-disaggregated data in AID's program documents and develop "WID Action Plans" that include systems and procedures, as well as calendar-driven benchmarks, to address and monitor women in development issues throughout their programs and projects. To this

end, documents developed for new and on-going activities should meet the following criteria:

1. Document includes sex-disaggregated data in all references to participants and beneficiaries.
2. Document identifies constraints to women's participation in all development activities.
3. Document identifies opportunities for enhancing women's participation.
4. Document describes strategies to overcome these constraints or make use of these opportunities.
5. Document identifies benchmarks to measure progress in implementing these strategies.

PPC/WID in collaboration with regional Bureaus has been developing document-specific guidance (CDSS, AP, PID, PP) which it has incorporated in recent training workshops. These guidelines are part of the gender information framework.

Mission WID strategies are expected to include initiatives that have been, or will be taken to provide WID training to A.I.D. staff. Include description of the training activity, number of job titles of staff trained. These strategies should also include initiatives that have been, or will be taken to increase the number of females in participant training programs. Specific targets and progress reporting are to be provided on the number of women included in participant training programs.

CHILD SURVIVAL

Information Reported to: AID/W; Office of Health, S&T

The USAID Health and Child Survival Project Questionnaire is a very detailed annual survey of all Missions with projects in this area. Questions are included on inputs and outputs, as well as purpose and goal. Sources of information for outputs, purpose and goal statements are to be characterized by "Data Collection System", "Best Guess", and "Don't Know".

The USAID Child Survival Project Reporting System is a three-tiered system: the lowest tier Missions are requested to report information on project inputs as well as estimates on outputs and purpose level. The middle tier countries are expected to have data collection systems that allow them to report more accurately on outputs; and the data collection systems of the highest tier Missions are expected to provide purpose level impact information.

Project officers are requested to report a variety of descriptive information about their projects; uses of project funding by source and category of use; amount of technical assistance; demographic characteristics of project area; and additional sections requesting information for each type of intervention. The questions on each of the types of project are grouped according to:

-- commodities
-- training
-- strategies
-- technical assistance
-- information
-- beneficiaries .

PL 480

Information reported to: the Donor Coordinating Committee which includes AID (both FVA/FFP and the Bureau Food Aid Coordinator in AFR/DP), USDA, State/EC, OMB, and Treasury. In most cases information is submitted formally by the "Country Team".

Considerable external reporting on food aid is required. The Reports/Documents Checklist for Title I/III (available from the Program Office) has nine pages of well organized reporting requirements. Reporting is required to indicate need (in terms of food situation, amount marketed, etc), track commodities, assess storage facilities, assess progress of projects funded with local currency, assess progress of self-help measures, and more.

PARTICIPANT TRAINING

Information reported to: Office of International Training in AID/W

The Participant Training Management System (PTMS) is a computerized system to track the status of participants sent to training programs outside of Kenya. The two types of forms used to collect the data for this system are PIO/Ps and Participant Data Forms. The latter are designed to capture information on participants not directly funded by the USAID. The types of information included are

-- name
-- address
-- organization
-- how funded
-- type of training and degree
-- when
-- where
-- gender.

There are additional tracking systems on participants with respect to:

-- visa forms (IAP66A forms)
-- visa report on nonreturnees (PIO/Ps)
-- follow-up report on participants (103UP)
-- medical certificate report.

Handbook 10 on Participant Training requires an annual Country Training Strategy that grew out of the centrally funded Human Resource Development Assistance project requirements.

ANNEX 3

SUMMARY OF PROJECTS BY SUB-TARGET

1. Increased Private Investment

A. Targetted Credit and Training Program
- Rural Private Enterprise (RPE), Commercial Banks
- RPE, NGOs
- RPE, Training
- Private Enterprise Development (PED), Training
- PED, Small Business
- Training for Development

B. Institutional Strengthening
- RPE, NGOs
- PED, Equity Markets
- PED, Venture Capital
- PED, Capital Markets Authority
- PVO Co-financing

C. Studies
- PED, Kenya Association of Manufacturers
- PED, Kenya Chamber of Commerce
- PED, Federation of Kenyan Employers

D. Policy Dialog
- RPE, Expanded credit to rural and small business
- PED, capital markets, financial deepening

E. Housing and Municipal Finance
- Rhudo finance

2. Increased Farmer Net Income per Hectare for Selected Crops

A. Institutional Training
- National Agricultural Research (NAR)
- Remote Sensing
- Small Ruminants Collaborative Research (CRISP)
- Institutional Development for Agricultural Training (IDAT)
- Agricultural Management Project (AMP)
- Kenya Market Development Program (KMDP)
- Title I/III

B. Studies
- AMP
- IDAT
- KMDP
- Fertilizer Project
- Remote Sensing
- On-Farm Grain Storage

C. Policy Dialog
- Fertilizer
- KMDP
- Title I/III
- NAR

D. Road Improvement
   - KMDP
E. Investment in Market Centers
   - Rhudo
F. Support to Individual Businesses
   - Agricultural Management Project (AMP)
   - Fertilizer Project
   - Kenya Market Development Project (KMDP)
   - Title I/III
G. Commodities
   - Fertilizer Project
   - KMDP
   - Title I/III
H. On-Farm Grain Storage
   - On-Farm Grain Storage
I. Funded Research
   - National Agricultural Research (NAR)
   - IDAT
   - CRISP
   - On-farm Grain Storage

3. Increased Contraceptive Prevalence

A. Commodities
   - Family Planning Services Support (FPSS), Subsidized Commercial Marketting
B. Institutional Strengthening
   - FPSS, Clinical Training and Support
   - FPSS, Voluntary Surgical Contraception
   - FPSS, Community Based Services
   - FPSS, Subsidized Commercial Marketting
   - FPSS, Ovulation Awareness/NFP
   - FPSS, NCPD Administration
   - FPSS, NCPD Policy, Planning and Evaluation
   - FPSS, NCPD Information and Communication
   - FPSS, MOH Information, Planning and Reporting
   - Family Health Initiative
   - Training for Development
   - PVO Co-financing

C. Child Survival
   - Family Health Initiative
D. Subsidies
   - FPSS, Subsidized Commercial Marketting