

NEAR EAST BUREAU
HANDBOOK
FOR
PROGRAM PLANNING AND REPORTING

April 1993

Prepared for:

Near East Bureau
Center for Development Information and Evaluation
Agency for International Development

Prepared by:

Management Systems International

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NEAR EAST BUREAU
MANUAL FOR PROGRAM PLANNING
AND
PERFORMANCE MEASUREMENT AND REPORTING

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I. INTRODUCTION

The Bureau strongly supports the use of strategic planning and management principles, including the development of program objectives and program performance measurement systems that would help Missions and the Bureau manage more effectively to achieve results. Improved management through the use of improved information is one objective of this planning process that the Agency and Bureau have instituted. Another critical objective is to explain more coherently and convincingly to external audiences AID accomplishments.

This process is built around the development of strategic plans (Country Program Strategies); monitoring and evaluation systems for gauging progress in fulfilling plans; and annual reports (Country Program Reviews) which document and analyze progress. The guidelines spelled out in this manual explain Near East Bureau requirements for developing Mission and Bureau program plans and reporting on program performance. This manual also presents the Bureau review process for Mission strategies and annual performance reports. In addition to establishing definitions and procedures, the manual offers tools that may help Missions in program planning and performance measurement.

II. DEVELOPING A COUNTRY PROGRAM STRATEGY (CPS)

A. TIMING OF PLANS

Missions should develop Country Program Strategies for five or six year periods. Most current Mission strategies began in FY 92, with Morocco's beginning in FY 93, and all conclude in FY 97. Missions should begin developing new strategic plans early in the final year of their existing strategy, with the expectation that the plan will be approved and the program performance measurement system in place by the start of the first year of the new strategy.

Strategies should run by fiscal year.

CURRENT MISSION STRATEGY PERIODS		
MISSION	STRATEGY STARTS	STRATEGY FINISHES
Egypt	FY 92	FY 97
Jordan	FY 92	FY 98
Morocco	FY 93	FY 97
Oman	FY 92	FY 97
Tunisia	FY 90, revised FY 93	FY 96
West Bank/Gaza	FY 93	FY 97
Yemen	FY 93	FY 97

B. FORMAT OF COUNTRY PROGRAM STRATEGY (CPS)

Missions should present strategies that adhere to the following outline:

- I. Macroeconomic and Political Overview
- II. Constraints and Opportunities
- III. Lessons Learned from the Last Strategy (that were useful in developing the proposed strategy)
- IV. Proposed Strategy (including resource requirements and projects, and other donor contributions that support the proposed strategy)
- V. Cross-Cutting Issues, Targets of Opportunity and Phased-Out Activities
- VI. Management

Chapters I and II are background sections which provide the context in which to place the Mission's strategy and help the Bureau and other audiences understand why the Mission has chosen particular strategic objectives.

Chapter III should summarize those lessons learned from performance in the last strategy that helped shape the proposed strategy.

Chapter IV should discuss the Mission's goal, sub-goals (if any), strategic objectives and program outcomes. The logic linking the hierarchy of objectives from program outcomes to strategic objective to sub-goal and goal should be clearly explained for each "branch" of the objective tree, and critical assumptions made at each level of objective should be stated and explained. The relationship between the program outcomes supporting any particular strategic objective should be explained. Resources and projects should be matched to program outcomes and the linkage between project purposes and outputs and

program outcomes should be made very explicit.¹ The Mission should assess the sufficiency of its own investment for generating the proposed results, as well as donor and host country investment. Coordination with other donors can increase the impact of the Mission's own resources.

Chapter V should discuss cross-cutting issues and targets of opportunity, both of which are defined in the following section. Resources for targets of opportunity and (where relevant) cross-cutting issues should be elaborated. Activities being phased out should also be mentioned with a timetable for phase out presented.

Chapter VI should discuss Mission management of the strategy.

C. STRATEGIC PLANNING PRINCIPLES AND DEFINITIONS

1. Focus and Concentrate

In the process of strategic planning, Missions are requested to focus their program on a limited number of key country development problems and choose a limited number of objectives that a Mission can reasonably achieve, given Mission resources and other relevant factors. Missions are also expected to concentrate their resources on these objectives or to allocate staff and dollar resources in such a way that anticipated results can be achieved.

2. The Objective Tree

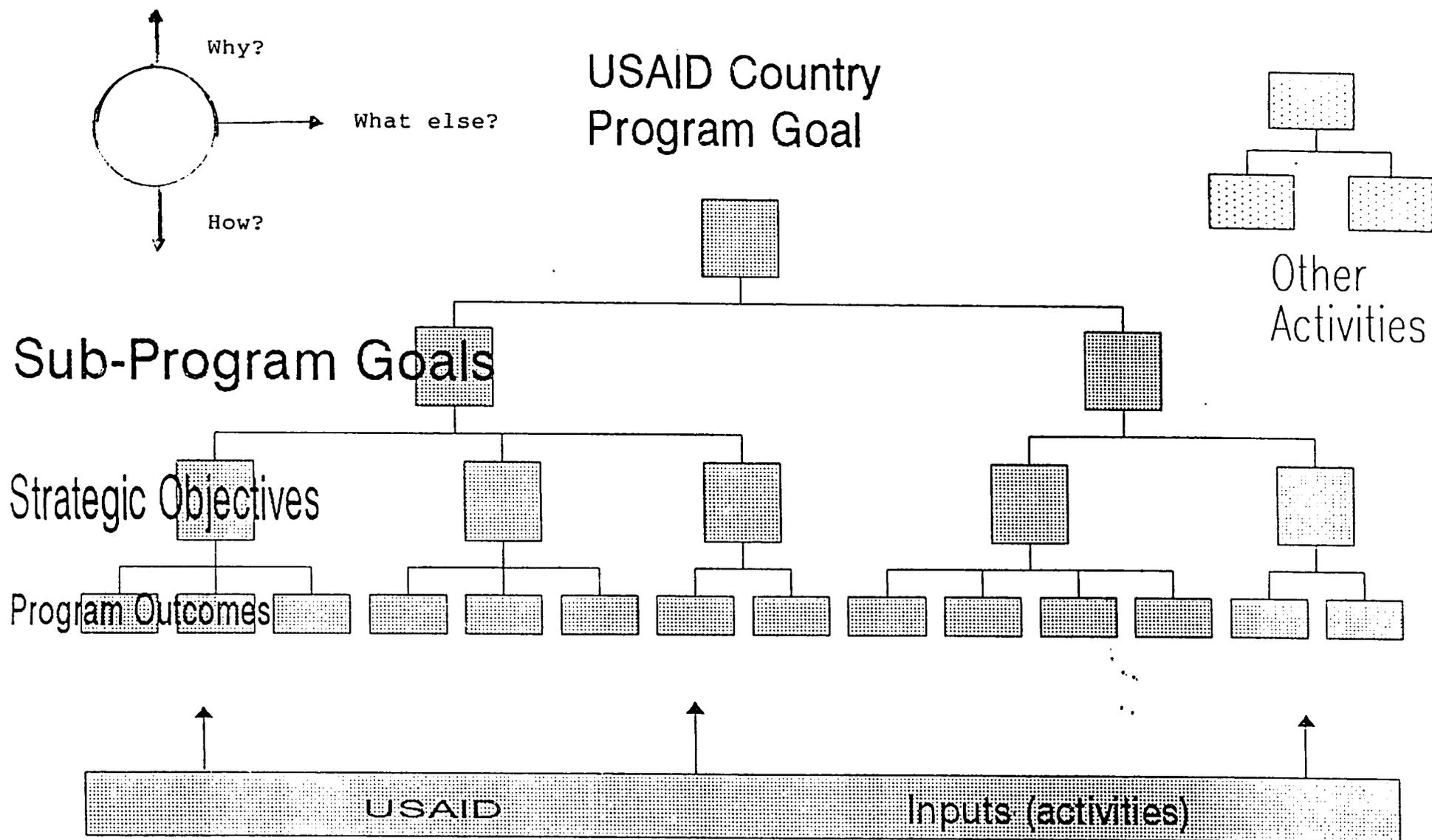
An objective tree is a tool that permits a graphic display of the cause and effect relationships between inter-related elements of a strategy. See the tree on the next page.

a. Each level in the objective tree should identify the necessary and sufficient requirements to reach the next highest level, except in moving from the strategic objective to sub-goal or goal level where the strategic objectives should be necessary but may not in and of themselves be sufficient to achieve the goal.

b. The components of the objective tree are, moving from top down, the goal, sub-goal (optional), strategic objective, program outcome, and program sub-outcome (optional). The tree can be taken all the way down to the

¹ Annex C presents one tool, a project to program linkage analysis table, that can help clarify thinking. Missions are not required to complete and submit this table as part of the CPS.

USAID Hierarchy of Objectives



NOT ALL OF USAID'S WORK WILL NECESSARILY FIT NEATLY. DON'T FORCE IT!

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project level for those who find it useful to do so.

c. Asking the following questions will help the reader understand the logic and completeness of the objective tree:

♦ Reading vertically down the tree, from goal to sub-outcomes, the reader can ask the question "How?"

How will the goal be achieved? The answer: through the strategic objectives.

How will the strategic objective be achieved? The answer: through the program outcomes.

♦ Moving vertically up the tree, starting with program outcomes, the reader can ask the question "So what?" or "Why?" Are the lower-order objectives necessary and sufficient to achieve the higher order ones?

♦ Reading across the tree answers the question, what else needs to be done to achieve the higher level objective?

d. Missions often choose such broad statements of their objectives that readers who are unfamiliar with a Mission's program and strategies must turn to the indicators to understand what the Mission is trying accomplish and how it expects to achieve those results. Missions should think of their objective tree as a communication tool and should try to use very precise and clear language to capture the essence of their program.

3. Basic Terms Defined

GOAL - What a Mission hopes to achieve over the longer term. It should be expressed in terms of positive changes in the lives of people. Its time frame may be ten to twenty years and it cannot be achieved through Mission resources alone.

SUB-GOAL - The level of objective between the goal and strategic objective. Again, the time frame to achieve it may be ten years or longer and it is likely that Mission resources alone are insufficient to reach it.

STRATEGIC OBJECTIVE - The highest level of objective that is within a Mission's "manageable interest." In other words, the Mission feels that its resources are critical to the achievement of this objective. To determine whether the strategic objective is in the manageable interest of the Mission, one question to ask is -

How essential are USAID resources to the fulfillment of this objective in the given time frame?

If USAID resources do not make a critical difference, then the objective may be pegged at too ambitious a level. The Mission is unlikely to control all elements that will help fulfill the objective but USAID assistance should make a critical difference. USAID may need to monitor those elements that it does not control (and these may be spelled out as assumptions), to understand their likely impact on the strategic objective. Often, strategic objectives are phrased as sectoral objectives, but sometimes they are multi-sectoral. Missions should be careful about multi-sectoral objectives which may require different strategies for the different sectors included.

Strategic objectives should be worded in terms of expected RESULTS OR IMPACTS and not as actions or means. The expected results should address a significant problem, the solution to which is critical to a nation's long-term growth and stability, and should be phrased as people-level impacts wherever possible. Strategic objectives should reflect Agency and Bureau priorities. Agency guidance suggests that strategic objectives be achievable or substantially achievable within a five to eight year time period. Since Mission strategies tend to run for five or six year periods, strategic objectives should be achievable in that time period. Progress should be measurable. If the objective does not depict an end state and is not measurable as stated, then it does not fit the criteria.

Missions generally have between one and four strategic objectives, depending on Mission staff and financial resources. Very large Missions have more strategic objectives. The number is less important than the precision and clarity with which the objectives are stated.

PROGRAM OUTCOME - The level of objective below strategic objectives. Outcomes specify more concrete, near term results and should be central to a Mission's strategy for achieving the strategic objective. Taken together, the program outcomes should be sufficient (along with whatever assumptions were made) to achieve the strategic objective. Each program outcome should also be essential to the achievement of the objective it supports. The connection between any given program outcome and a strategic objective is, however, more likely to be conceptual than empirical in nature. It may be necessary to test the logic tying a given program outcome to a strategic objective by conducting a linkage study, which examines the extent to which a program outcome really does contribute to the achievement of a strategic objective. If there are too many program

STRATEGIC OBJECTIVE: (statement)	Does it satisfy each criterion?	
	Yes	No
<ul style="list-style-type: none"> ◆ Is a Concise Statement of the RESULT Sought ◆ Is MEASURABLE ◆ Has a SINGLE Purpose and Direction ◆ Represents a SIGNIFICANT CONTRIBUTION to Host Country Development Objectives ◆ Is Pursued through CLEAR STRATEGIES ◆ Is ACHIEVABLE within 5 - 8 Years ◆ Is Manageable with USAID Resources ◆ Is CONSISTENT with Agency & Bureau Priorities ◆ Is not constrained by critical assumptions that are too great in number and/or too risky 		

outcomes, then either the strategic objective is too broad or the program outcomes are set at too low a level of results. Program Outcomes often hover at the project purpose level, and planners should consciously try to link project purposes and program outcomes to ensure that projects support the achievement of p.o.s. Program Outcomes should be achievable within a three to five year time period. In stating an outcome, the Mission is taking responsibility for achieving it.

Program Outcomes should be worded in terms of results and not actions. Because they are lower order objectives, they reflect interim progress toward reaching the strategic objective and so give the Mission more timely feedback for decision-making.

PROGRAM SUB-OUTCOMES - These are lower order objectives that supports the achievement of program outcomes. Missions with larger amounts of resources are likely to find sub-outcomes more helpful than smaller Missions. Sub-outcomes should be achievable in one to three years and should also be worded as results. CDIE's PRISM reporting system is not interested

in data from this level, but it may be useful for Missions to take an objective tree down to the project level, to lay out clearly the connection between the investment of resources and the expected results.

ASSUMPTIONS - Factors that are outside the control of the Mission but are critical to the achievement of any level of objective in the objective tree. Assumptions should be written for each level but it is most important to spell out those at the strategic objective and program outcome level. They should be thought of as follows: if assumption x holds true (and the lower order program outcomes or objectives are achieved), then the strategic objective (program outcome, etc.) will be achieved. The logic that links various components of the objective tree together can be confirmed or questioned in part by the number of assumptions and how likely they are to hold true. If there are many assumptions made at the program outcome level and there is a strong likelihood that a good portion of them won't hold true, then there is considerable risk that the strategic objective is not achievable.

4. Linking USAID Interventions with Results: the Definitions of Plausible Association and Attribution

Plausible association describes the process of relating A.I.D. sponsored activities to the results achieved under a strategic objective. If A.I.D. does x, y, and z, can it plausibly associate itself with the desired result of those interventions? It is assumed that others also contributed to the achievement of the strategic objective, and there is no interest in trying to apportion credit for changes in any exact manner. It recognizes the complexity of the development process and suggests that it may not be possible to prove that what A.I.D. did led to a specific result. One criterion for examining the plausibility of any such association, is the number and riskiness of the assumptions made (see item 2. above).

Attribution expresses the idea that a direct causal link can be made between the achievement of an objective and the resource allocation. It can be extremely difficult to do this, and neither the Near East Bureau nor CDIE are interested in tackling causality or trying to assess the portion of results for which AID resources are directly responsible, at the **strategic objective level**. At the program outcome level, the link between USAID resources and a program outcome results achieved should be compelling. In an ABS table submitted by Missions, the Agency and Bureau will assess in a simple (but not foolproof) manner the extent to which USAIDs can claim credit for achieving program outcomes by looking at the resources allocated outcome by outcome.

D. CROSS-CUTTING ISSUES

Cross-cutting issues are ones that are relevant to most or all of a Mission's strategic objectives. They represent concerns or problems that the Bureau feels are addressed more effectively in the course of achieving other objectives, or which are critical to the achievement of specific strategic objectives. They should not be established after strategic objectives are set but should be a part of the planning process. They should be integrated into discussions about strategic objectives and perhaps influence how those objectives are stated. In spelling out cross-cutting issues in Country Program Strategies, Missions should explain to which strategic objectives these issues are relevant and how they are relevant. What strategies does the Mission have to incorporate the issue into planning, implementation and monitoring of strategic objectives? The Bureau will expect reporting on cross-cutting issues and encourages Missions to be very conservative in the number of such issues they choose to incorporate. Reporting may be done in the context of program performance indicators. However, there may be instances when the indicators do not reflect all dimensions of a cross-cutting issue, and then the Mission will need to devise a separate monitoring framework.

Gender is perhaps the most common cross-cutting issue chosen by Missions, yet how and in what ways gender differences are important in accomplishing particular objectives and how female and male participants will be targeted as beneficiaries is not always showing up clearly in strategies and in performance indicators. The Bureau expects to see evidence that gender considerations were incorporated into strategic planning, where potentially relevant, and to have Missions assess the impact of development assistance on men and women.

E. ACTIVITIES OUTSIDE THE STRATEGIC PLAN

1. Projects Being Phased Out

There may be on-going projects that do not fit the proposed strategy. These should be completed and a timetable for completion presented in the CPS.

2. Targets of Opportunity

A target of opportunity is an objective which does not fit on the objective tree but represents either an intervention undertaken for historical, humanitarian or political reasons or a new opportunity particularly to introduce ideas and technologies that might help mitigate a significant problem or constraint in the country. Mission targets of opportunity should be kept few

in number. The Bureau applies the following criteria in assessing targets of opportunity:

- the problem to be tackled is a significant one in the country;
- the aspect of the problem that the Mission chooses to address is narrowly defined, and the potential to demonstrate results is strong;
- the problem can be addressed without drawing significant Mission resources away from implementation of the main strategy; and
- the proposed intervention will introduce new technologies and ideas to the region, or builds upon and strengthens the sustainability of past USAID interventions.

Because Missions might wish to be able to respond to changing conditions and new opportunities, the list of targets of opportunity need not be set for the five year period of the strategy, but Missions should not proliferate targets.

F. BUREAU REVIEWS OF COUNTRY PROGRAM STRATEGIES

1. Purposes of A.I.D. Strategy Reviews

- o To ensure the country strategy is in accord with Agency directives, Congressional concerns and the Bureau's strategy;
- o To ensure that there is consistency between the underlying analysis of country problems, the selection of problems to be addressed and the forms of assistance to be provided;
- o To ensure that the country strategy focuses on a manageable number of strategic objectives and that resources are concentrated on those objectives. In other words, the strategy consists of clearly defined, appropriate (for AID as well as for the assisted country) and achievable strategic objectives and program outcomes, and those projects (and NPA) that are in place or planned are tightly linked to the objectives;
- o to ensure that targets of opportunity and cross-cutting issues are few in number and are relatively undemanding in terms of resource requirements so that they do not dilute the coherence of the Mission's strategy;

- o To ensure that staff and operating expense resources are sufficient to achieve Mission objectives;
- o To determine how the Bureau can best support the Mission in accomplishing approved objectives; and
- o To recommend adjustments in the strategy, projects or resource levels if warranted.

2. Procedures

NE/DP is responsible for managing the process described below:

Step 1. Receipt and Distribution

- o The Country Program Strategy arrives in Washington from the field. NE/DP distributes it within the Bureau and to outside offices, e.g., GC, FA, OPS, POL, State, etc. under a cover memorandum which includes schedule of meetings.

Step 2. Inter-Office/Inter-Agency Review

- o NE/DP schedules the principal issues meeting and sends out notification. In addition to NE Bureau participants (including Mission personnel), GC, State, FA, POL (including CDIE) and OPS (Program Office, plus R&D, PRE and FHA, as appropriate) will be invited to participate. Written draft issues (on diskette, the office directory, or email attachment) are requested from Bureau and outside offices prior to the meeting. NE/DP puts together the issues paper and distributes it to all invitees prior to the issues meeting.
- o The review will be chaired by the AA or DAA (who may delegate chair to NE/DP). Issues will be discussed and an attempt made to develop a consensus.

Step 3. Final Decision-Making

- o If controversial issues that require further thought arise at the review meeting, a small NE Bureau group (Directors of NE/DP, NE/DR and Desk; Mission representative(s) or Country Director) will meet with AA and/or DAA to reach agreement on those issues.

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Step 4. Providing Feedback to Missions

- o NE/DP will draft the decision cable for AA/NE approval. The cable will be cleared by DAA/NE, NE/DP, NE/DR, POL/SP, and the Desk.

G. MID-COURSE CHANGES IN THE COUNTRY PROGRAM STRATEGY

There are three general reasons that strategies might need to be changed significantly: 1) a major change in host country circumstances that makes the strategy or the objective irrelevant or impossible to achieve; 2) a change in A.I.D.'s overall objectives; and 3) a gap between program outcome and strategic objective indicator targets and actual results that is so large that the strategy is called into question.

If a Mission believes that major changes are required in its strategy, it can discuss these in its annual performance report but it probably should not wait until this report is due. It can at any time communicate the need for changes to the Desk and NE/DP. The discussion then could take different forms: a special "program week" in the field or in AID/W, with senior staff from the Mission and the Bureau participating; or perhaps extended cabled/faxed exchanges between the Bureau and the Mission. NE/DP will take the lead for the Bureau for coordinating the discussion of proposed major changes in strategies.

The need for minor changes in strategies should be presented in the annual performance report or the Country Program Review (CPR - see IV. below). The Bureau does not encourage such changes and will give serious review to requests for alterations. The Bureau will discuss proposed changes in the context of reviewing progress in achieving program outcomes and strategic objectives and will provide feedback to the Mission.

H. LETTERS OF CHARGE WITH NEW MISSION DIRECTORS

Letters of charge for Mission Directors assigned to countries with approved country program strategies will emphasize the Bureau's expectation that the new Mission Director will implement the agreed upon strategy and will report upon impact as measured by the chosen indicators. Circumstances which might dictate a change in the strategy are dealt with in section G. above.

III. MISSION MANAGEMENT OF COUNTRY PROGRAM STRATEGIES

Missions have taken different approaches to organizing their

work force to achieve strategic objectives. Unfortunately, collective Agency experience is not at this point lengthy enough that there are clear "lessons learned" about which approaches work best and which work least. Most Missions are organized in a functional manner, and most have chosen to retain their functional organizational pattern, due to the disruptions that a major re-organization can have. To the extent that strategic objectives represent clearly divided, rather than overlapping, sectors, a functional organization continues to work well. For example, responsibility for MCH/FP objectives almost always lies within one office. When strategic objectives overlap sectors, as is often true of private sector-oriented objectives which combine agriculture and manufacturing, policy reform, and improvements in the investment climate, responsibility tends to be split between one or more offices, and those offices need to work together as a team.

A few Missions have chosen to reorganize around strategic objectives. The Jordan Mission is one such Mission. A more common pattern is for Missions to organize joint strategic objective working groups. These are formal groups that usually have a chairman or perhaps joint chairmen from the different offices represented. These groups are responsible for developing the performance measurement plan and for coordinating the offices involved in the work of achieving the strategic objective. The Morocco Mission has organized strategic objective working groups and to help these groups cohere, the Mission brought in a facilitator in the wake of developing their strategy to do team building. Some Missions have made no organizational changes, and it is not uncommon in those cases for communication problems to arise between the offices that need to be working together on a given strategic objective.

IV. DEVELOPING A PROGRAM LEVEL MONITORING AND EVALUATION PLAN

A. PURPOSE

The main purposes of monitoring and evaluation of program objectives are to answer the following questions:

- ☛ are the expected results happening in the predicted time frame?
- ☛ are the interventions successful in producing these results?
- ☛ which interventions are working best to produce results and which are not working well?
- ☛ are the results significant?

To assess whether or not the results are happening and to what degree they are happening, Missions need to identify measurable performance indicators.

B. TIMING

The Bureau expects program level M&E plans to be completed and submitted for Bureau review within six months of Bureau approval of the strategy. Indicators and definitions should be finalized in the plan that is presented. There may still be some gaps in the baseline data, when the Mission itself must collect these data, but a timetable must be presented for when such data are expected to be available.

C. PUTTING THE PLAN TOGETHER

The M&E plan should be the product of those staff who are responsible for achieving the strategic objectives. The Mission should include contractors, who may be charged with collecting and analyzing data, in developing the plan, and may want to consider involving host country counterparts who know government data in the process.

Table 1 presents the primary information required in putting together the M&E plan for each strategic objective. **The diskette sent with these binders (one per Mission) contains a file with this manual - Missions can save the tables to separate files so that the tables do not have to be recreated.** Principal components of the plan include indicators for each objective, definitions or specifications for the indicators (how measurement will be done), data sources and data sets, data quality, frequency and timing of data collection, how data are evaluated to tell us about performance, estimated data collection costs, and who is responsible for collecting the information. Those Missions which used different versions of this form in developing M&E plans earlier need not revise their plans.

Table 2 presents baseline data, targets (expected results) and assumptions made in setting specific targets. For example, if a particular target relies on funding from a particular donor and that funding is delayed by 18 months, the target will be affected. The Mission may want to be reminded of the assumptions that it made in setting targets so that it can consider these in its annual reviews.

TABLE 1 PERFORMANCE MONITORING PLAN FOR SO1

Strategic Objective 1: *(insert text of SO1 here)*

PERFORMANCE INDICATOR	PRECISE DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/SET DATA QUALITY	EVAL. METHOD/ APPROACH	TIMING AND FREQUENCY OF DATA COLLECTION	FUTURE COSTS OF COLLECTING INFORMATION AND SOURCE OF FUNDS	RESPONSIBLE PERSON/ OFFICE
1) <i>(insert text of the first performance indicator here)</i>	Unit: Definition:				Cost: Source:	
2) <i>(insert text of the second performance indicator here)</i>	Unit: Definition:				Cost: Source:	
3) <i>(insert text of the third performance indicator here; add more rows for additional perf. indicators by doing as follows: alt j7; Ins; rows; number of rows you want.)</i>	Unit: Definition:				Cost: Source:	
Comments/Notes:						

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Table 1.a PERFORMANCE MONITORING PLAN FOR PROGRAM OUTCOME 1.1

Strategic Objective 1: *(insert text of SO1 here)*

Program Outcome 1.1: *(insert text of PO1.1 here)*

PROGRAM INDICATOR	PRECISE DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/SET DATA QUALITY	EVAL. METHOD/ APPROACH	TIMING AND FREQUENCY OF DATA COLLECTION	FUTURE COSTS OF COLLECTING INFORMATION AND SOURCE OF FUNDS	RESPONSIBLE PERSON/ OFFICE
1) <i>(insert text of the first program indicator here)</i>	Unit: Definition:				Cost: Source:	
2) <i>(insert text of the second program indicator here)</i>	Unit: Definition:				Cost: Source:	
3) <i>(insert text of the third program indicator here; add more rows for additional program indicators by doing as follows: alt f7; Ins; rows; number of rows you want.)</i>	Unit: Definition:				Cost: Source:	
Comments/Notes:						

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TABLE 2

Baseline and Performance Targets

STRATEGIC OBJECTIVE, PROGRAM OUTCOMES/SPECIFIC RESULTS	PRECISE DEFINITION OF INDICATOR & UNIT OF MEASUREMENT	BASELINE YEAR & VALUE	PERFORMANCE TARGETS					CRITICAL ASSUMPTIONS
			1993	1994	1995	1996	1997	
Strategic Objective No. 1: Indicators: 1.								
Program Outcome No. 1.1:								
Program Outcome No. 1.2:								
Program Outcome No. 1.3:								

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1. Completing the Tables

Table 1:

Enter the indicator and a PRECISE DEFINITION of the indicator or how measurement will be done. Include in the definition column the measurement unit (dollars, metric tons, acres) in which the numbers are to be expressed. Convert non-standard measures such as feddans, dirhams, etc. to standard measures that will be intelligible to US audiences.

Enter in the third column the data source, data set (name or title of the document that includes the data) and a notation of data quality and reliability. For quality, you might rate the data as good, average or poor, and you may wish to note what the particular problem with quality is.

In the column labelled "Eval. Method/Approach," explain how or why the indicator tells us about progress toward the strategic objective or program outcome. If you are using a standard indicator such as contraceptive prevalence rate to measure increased use of contraceptive methods, it is not necessary to enter anything in this column. If you are using an unusual or innovative indicator, it may be useful to explain its relevance. You are explaining in this column the relevance of the indicator to measuring achievement of the result.

In the "Timing and Frequency of Data Collection" column, state the year or time of year when the data are expected to be available, the period of time the data will cover, and the frequency of data collection.

In the "costs" column, it might be helpful for Mission managers to estimate how much data collection might cost in terms of money and staff time, and where the funds will come from. Note the emphasis on "future" additional costs and not those program and project costs already incurred. The Bureau does not require this information - the column is to be completed at Mission discretion. Annex D presents a table that can help you calculate costs.

Finally, indicate in the last column, the name and office of the person responsible for collecting data for that indicator.

Table 2:

Enter the indicator and a clear definition so that those analyzing performance on like indicators for the Agency as a whole will know which indicators are truly comparable. The definition should include the measurement unit (dollars, metric tons, acres, etc.) in which the number is expressed. Convert

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non-standard measures such as feddans, dirhams, etc. to standard measures that will be intelligible to a US audience.

Enter the baseline date and value.

Enter targets for each year for which you expect to be able to collect actuals. For example, if you are relying on a Demographic and Health Survey (DHS) for data in FY 92 and FY 97, do not enter targets for the intervening years, for which you do not expect to have actuals.

Enter critical assumptions related to the setting of targets. If you expect that the indicator will start to show change in FY 95 due to a project you started in FY 94 and your project is delayed by a year, your targets will be off. You might, therefore, wish to record the assumption that your project would come on line in FY 94.

Additional definitions that may help in completing tables 1 and 2 follow below.

2. Criteria for the Selection of Indicators

In selecting indicators, strategic objective working groups should ask themselves what specific results they are trying to achieve under the strategic objective. In theory, the strategic objective is a precise result, but sometimes Missions have chosen as objectives somewhat broad statements, and they need to be more specific about what they are trying to achieve in order to measure progress. For example, one fairly common and very broad program outcome is "improved management of a host country institution." It is very difficult to measure improved management without detailing the kinds of improvements expected. Seldom is a Mission tackling all aspects of an institution's management. A Mission usually focuses on a few aspects that it thinks make the greatest difference to improved performance. In order to develop indicators, then, those aspects must be specified.

It is often difficult to find a single indicator that can by itself measure progress toward an objective. Consequently, Missions tend to choose several indicators to measure different aspects of progress that together give a more complete picture. However, the more indicators a Mission chooses to measure, the more time that must be devoted to measurement and analysis. This can complicate the system to such an extent that it does not get implemented at all. It is an important judgment call for Missions as to the amount of information required to manage well and to determine progress. The Bureau cautions against a proliferation of indicators and will be sympathetic to less than perfect measures, as long as Missions explain their measurement

problems.

a. **The indicators should measure progress toward strategic objectives, program outcomes and sub-outcomes as directly as possible.** The indicators should not be at a lower level than the objective (i.e., numbers trained as a measure of "improved management") or at a higher level (i.e., income or employment as measures of increased non-traditional exports). Looking at the second example, the most straightforward measure is the value and/or volume of exports. Changes in income or employment are actually higher-order results that might come about from a substantial increase in exports. These higher order results can be reflected on the objective tree at the sub-goal level, if an increase in exports is a strategic objective, but it confuses logic to use them as indicators for the s.o. There may be times when Missions need to use proxies that are above or below the level of the objective, but these should be clearly labelled as such and the rationale explained. Indicators selected for strategic objectives should to the extent possible express people-level impact or some sense of the effect on people's lives, but not if the objective is not phrased in terms of impact on people.

b. **Those indicators selected should be grounded in both accepted practice and in theory, and should have significance for a wide audience.** In other words, both a proponent and a skeptic of the program should agree that the indicator is a valid measure of whether the objective has been met.

c. **The indicators should enable cost-effective measurement.** They should strike a balance between what can be measured and what should be measured. There is no point in selecting indicators that are theoretically elegant but too costly to measure. Indicators must be selected in conjunction with a review of data sources since data quality is critical. There should be consistency from year to year in the source and data collection methodology. In cases where the data are bad or too expensive to collect, proxy indicators will have to be selected. When possible, select indicators that will permit reliance on existing secondary sources of data, as long as those sources are considered to be relatively reliable. Annex D presents a table to help Missions develop a data collection and analysis budget.

d. **The indicators permit verification of measurement accuracy, reliability and thoroughness.** In other words, others could replicate the process in order to check on measurement quality.

e. **The Agency requires annual reporting on program performance.** Strategic Objective indicators might rely on data resulting from annual national reporting but alternatively might rely on periodic surveys (i.e., contraceptive prevalence surveys, Demographic and Health Surveys) which are undertaken only at

longer intervals. In addition, at the Strategic Objective level, it may take more than one year to produce results that will show up in changing numbers. When choosing indicators for Strategic Objectives that will not produce data annually, some attempt should be made to pair those indicators with proxy indicators that will permit more frequent measurement. Most program outcome level indicators should be measurable annually. In some cases, change will not occur that quickly or it is not practical to do annual measurement. It would be useful then to pair the indicator that cannot be measured annually with a proxy indicator that will permit annual measurement. This pairing then gives planners some information on whether progress is being made in achieving a particular outcome.

f. **Indicators do not always have to be quantitative.** They can be qualitative. It is possible to use as indicators a critical events agenda or policy reform matrix (events that have to happen for an objective to be met along with dates for when they must take place) or rating scales that show organization strength. Political liberalization or democratization are areas where AID is making heavy use of rating scales because it is difficult to come up with quantitative indicators that measure progress.

g. **Quantitative measures should be expressed not just in terms of a numerator (i.e., an absolute number) but should include the denominator whenever possible, because it is the denominator that indicates the size of the problem being tackled.** It is usually better, therefore, to specify measurement in terms of (for example) ratios or percentages rather than absolute numbers. For example, reporting on jobs created or numbers settled in improved housing does not give a reader or planner much sense of what the extent of the accomplishment was because it does not say anything about the dimensions of the problem. In setting targets, Missions need to think about the fact that the denominator as well as the numerator may change over time.

h. **When selecting more than one indicator to measure progress toward an objective, it is important to think about the relationship between those indicators.** For example, if the numbers start to move in the anticipated direction for one indicator and in the opposite direction to what was anticipated for the second indicator, what does that tell planners about progress? Too many indicators selected to measure progress toward the same objective might confuse more than enlighten. The relationship between the indicators should be explained - do they all have to be achieved for the objective to be met? Is one the real indicator, which cannot be reported upon annually, and the others proxies, which are less adequate measures but are capable of being reported upon annually? It is also important to keep the performance information system simple and to try to get by with as few key indicators as possible.

i. When appropriate to the strategy in place, it may be important to disaggregate data by gender or according to other population characteristics that appear to be important (i.e., rural-urban). Gender disaggregation can help Missions and the Bureau assess the ways in which both sexes participate and benefit.

2. Setting Baseline Data and Targets

Once the indicators are final, planners need to select the year for which baseline data will be recorded. It is useful if baseline data for the year that the strategy begins can be recorded but this will not always be possible. In the instance that it is not possible, the baseline year should be the most recent past year for which the relevant information exists. If the baseline year falls too many years before the start of the strategy, there will be difficulties in gauging what portion of the progress might be related to current USAID efforts.

Once baseline data are acquired, targets need to be set in terms of what progress the planners expect to achieve over the period of the strategy. It can be tricky to set targets because, to do this, planners need a feel for historical patterns (how the numbers have moved over time), and such data may not exist in adequate quantity or quality in some countries. Access to data, even when it does exist, can also be problematic. Even when time series data do exist, there have been instances of Missions setting targets well below the trend and, while there may be reasons for doing so, it might also be suggestive of an overly casual approach to target setting. If time series data of reasonable quality are available, Missions should use them for future projections.

There is a tendency in Missions to straightline targets (i.e., if the indicator is expected to increase by 10%, the Mission shows annual increases of 2%). This may or may not be appropriate. Missions should think through when their interventions will start to have an impact and whether that impact will be heavier in some areas than in others. For example, if Mission resources help introduce and expand availability of the IUDs, as part of a family planning program, then there might be very heavy impact the first few years, while unmet demand for a longer term method is met, and then the impact might drop and level off. The project to program linkage analysis table in Annex C can help Missions in setting targets.

3. Roles and Responsibilities

Generally, it is wise to designate not only an office but a particular individual as responsible for collecting, recording and analyzing data for a particular indicator. Missions, as

noted, have organized themselves differently for the purposes of monitoring progress toward program outcomes and strategic objectives. Missions that have strategic objective working groups would delegate responsibility for program performance measurement to those groups. Other might divide the monitoring responsibilities among designated individuals. The clearer the monitoring plan is about how the data will be gathered, when it will be collected, in what form, and who will do the collecting, the more successful that Mission will be in generating annual data in a consistent fashion throughout the period of the strategy. Wherever possible, it makes sense to include responsibility for program-level data collection in specific projects, for contractors to handle.

An FA/HRDM/PPM policy notice dated 25 February 1993 requires that position descriptions and individual performance plans reflect project/program monitoring responsibilities when these responsibilities are an important part of a staff person's job (e.g., project officers and program officers). The generic wordings provided in this guidance indicate that staff will be held accountable for obtaining and analyzing information on project and program performance and to apply the information gained in management decisions.

D. BUREAU REVIEWS

The Bureau will review and provide feedback on a Mission's program performance measurement system, once this is in final form or close to final form. NE/DP will be responsible for setting up the reviews and drafting the cable providing feedback. The review meetings will be open to Bureau and relevant CDIE staff. Generally, the reviews will be organized by technical sector (rather than trying to cover all S.O.s in one meeting) for those Missions that have several strategic objectives. NE/DP will then put into a cable the views of the group meeting, including points on which there seemed to be consensus. The criteria applied in reviewing the performance measurement system are discussed in section C. above. The Bureau expects Missions will respond to this feedback and will notify NE/DP of any changes in the program performance measurement system made as a result.

V. REPORTING ON PROGRAM PERFORMANCE - COUNTRY PROGRAM REVIEWS

A. TIMING AND FREQUENCY

Mission Country Program Reviews (CPRs) will be submitted annually, as the Agency now requires, and should arrive in NE/DP between 1 November and 1 January of each year. The first CPR is due in NE/DP between 1 November 1993 and 1 January 1994, covering FY 93. Missions can decide when, during that two month time

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frame, they want to submit reports to Washington. Some Missions may choose to prepare their CPRs in September and October because they wish to review program progress when they review project progress, in order to explore more fully the linkage between projects and programs. Some may use program reviews to feed into the CP process. Others may find the work load such in October and early November such that they prefer to send their report in late December.

Since strategies run on a fiscal year basis, Missions should report on the previous fiscal year, for example, FY 93 would be reviewed in the report submitted in late 1993. The Bureau recognizes that Missions often rely for indicator data on host government or other institutional sources (i.e., the U.N.), whose reporting periods differ, so data collectors will need to try to reconcile their reporting period with A.I.D.'s, if this is at all possible.

Missions should advise NE/DP by 15 August approximately when they expect to submit their CPRs in any given year.

B. CONTENTS OF THE CPR

Since Goals and Sub-goals are long term objectives, Missions only need report on country progress in meeting these for the final year of the strategy, in the last CPR. Annual reporting will emphasize progress in meeting strategic objectives and program outcomes. The report should follow this outline:

- I. Objective Tree
- II. Special Factors Affecting the USAID Program (a commentary on critical assumptions and unexpected factors (positive and negative) that are impinging on the program)
- III. Progress in Meeting Strategic Objectives and Program Outcomes (discuss objective by objective)
- IV. Targets of Opportunity and Cross-Cutting Issues
- V. Required Changes in the Strategy, in Targets, or in Indicators; what are the management or technical implications of performance problems or successes?

Annex 1 Table 1

1. Objective Tree

Include a copy of the objective tree.

2. Narrative

A narrative report (sections II, III, IV, and V in the CPR outline given above) is essential to understanding the quantitative data presented in Table 1. Missions should try to

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keep the narrative brief.

Section II should report on critical assumptions that did not hold true as well as unanticipated factors (both positive and negative), and the likely impact of these on the relevant Mission objective.

In **Section III**, Missions should interpret the data presented in Table 1, strategic objective by strategic objective, and should note any mid-course corrections they are making in implementation or management in order to accelerate progress. To the extent possible in a brief narrative, Missions should try to tie progress toward an objective to specific Mission activities. In the early years of the strategy, it will not be possible to say much about the strategic objectives themselves, and the narrative should concentrate on program outcome progress.

In **Section IV**, Missions should report on targets of opportunity and, if not apparent from the discussion in III., cross-cutting issues and how these were woven into strategy implementation during the year. Targets of opportunity should have their own indicators, through which progress can be measured. These indicators are most likely to be project-level indicators. CDIE's PRISM information system will include a target of opportunity data base, and reporting on these targets is required.

In **Section V**, Missions may not need to report anything, but if they believe that a change is required in the strategy (or statement of objectives), targets (expected results) or indicators, they should explain the proposed changes and their rationale here. Changes in objectives and indicators should be proposed only with the utmost reluctance. Without comparability in the vast majority of indicators across the years of the strategy, it will be difficult if not impossible to demonstrate results. Additional or supplementary indicators should generally not be introduced mid-way through the strategy simply because a new project has come on line. That project should come on line because it is supporting existing objectives, whose indicators have already been developed. Missions might also use Section V or could add a Section VI to comment on what they have learned about the measurement process and how they have organized to manage for and report upon strategic objectives. These lessons would be of great interest to the Bureau and CDIE.

3. Table 1: Strategic Objective Performance

This table is the principal form Missions are asked to complete for each indicator that is a part of their program performance measurement system. Please complete this form as

follows:

Item (1): Type the S.O. number and, if reporting indicators for a program outcome, the program outcome number. Please cross out program outcome if you are completing the table for a strategic objective. Type the wording of the particular strategic objective or program outcome. If the wording of the program outcome or strategic objective has changed, please note this in item (11).

Item (2): Type the indicator. If this is a new or revised indicator, please note the revision in (11) Comments, and explain the change in the narrative.

Item (3): Enter the definition and the unit of measure (\$\$, percent, MT, etc.). Please convert all foreign currency to US dollars and use standard quantities or measures (i.e., hectares instead of feddans). If you have altered the definition, please note the change in (11) Comments and explain it in the narrative.

Item (4): Type the Data Source and Data Set (i.e., GOMorocco, Population Census). If you have been obliged to change the data source, please note this in (11).

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TABLE 1: STRATEGIC OBJECTIVE PERFORMANCE
USAID/ _____

(1) STRATEGIC OBJECTIVE # ___/PROGRAM OUTCOME # ___				
(2) Indicator:				
(3) Definition/Unit:		(5) Year	(8) Planned	(9) Actual
(4) Source:	(6) Baseline	1991	-----	
(10) Critical Assumptions that are no longer valid:		1992		
		1993		
		1994		
		1995		
		1996		
(11) Comments:	(7) Target	1997		

(2) Indicator:				
(3) Definition/Unit:		(5) Year	(8) Planned	(9) Actual
(4) Source:	(6) Baseline	1991	-----	
(10) Critical Assumptions that are no longer valid:		1992		
		1993		
		1994		
		1995		
		1996		
(11) Comments:	(7) Target	1997		

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Item (5): Do not enter anything here.

Item (6): You may need to change the baseline year from 1991. Enter the year from which your baseline datum for the indicator has been drawn.

Item (7): Your final target year may be FY 96 or FY 97, depending on when your strategy ends.

Item (8): In this column, enter annual (if appropriate) or periodic targets or expected results. Do not enter a target for the baseline year, since this is an actual figure and not a planned one. If targets have changed in the past year, please note this in item (11) and explain the change in the narrative.

Item (9): Enter actual results.

Item (10): Reporting on critical assumptions is by exception. If a critical assumption is not holding true, state the assumption here, and discuss its current and probable future effect on the strategic objective and/or program outcome in the narrative, under section II.

Item (11): As noted above, changes from the previous year's reporting or from the program performance measurement system should be noted here. Also, if baseline data and targets are not yet provided, note when these are expected to be available.

C. MISSION REVIEWS OF PROGRAM PERFORMANCE

The Bureau believes that the CPRs are useful first and foremost as a management tool for Missions. Missions should develop their own review procedures. NE/DP would like to keep a record of what each Mission's review procedure is and therefore requests all Missions to send with the first report a brief outline of the procedure followed. In subsequent years, Missions should note any changes in the review procedures at the time the CPR is submitted as an annex to the CPR.

The Mission may wish to incorporate **Table 2: Project Activities Timeline** into its own reviews. Adjustments in the timing of project activities may require changes in the targets or expected results, changes in implementation, or even changes in program outcomes. Those Missions or Project Offices that find Table 2 useful are welcome to include these in the CPR as Annex 2.

D. BUREAU REVIEWS OF MISSION PROGRAM PERFORMANCE

The purposes of Bureau reviews are four fold:

- ♦ Gaining a better understanding of Mission progress and problems and the likelihood that Missions will achieve the predicted impact on strategic objectives at the end of the strategy period;
- ♦ Ensuring that Missions are routinely collecting and analyzing program level data;
- ♦ Determining whether Missions are using the data to improve management; and
- ♦ Making decisions about overall program planning and resource use.

These reviews also provide a forum for discussing issues of interest to both the Bureau and the Mission, apart from those related to progress on program performance. In addition, by comparing CPRs, the Bureau gains an understanding of progress and problems across the region in particular sectors and will be able to report on the five Bureau strategic objectives.

For the first two years, country program reviews will be held in Washington. Thereafter, Bureau and Mission staff will review the feasibility of conducting field reviews.

NE/DP would be responsible for managing the Bureau reviews described below:

Step 1. Receipt and Distribution

- o The CPR comes in to Washington from the field in November or December. NE/DP distributes it within the Bureau and to outside offices, e.g., GC, FA, OPS, POL, State, etc. under a cover memorandum which includes schedule of meetings.

Step 2. Inter-Office/Inter-Agency Review

- o NE/DP schedules the principal issues meeting and sends out notification. In addition to NE Bureau participants (including Mission personnel), GC, State, FA, POL (including CDIE) and OPS (Program Office, plus R&D, PRE and FHA, as appropriate) will be invited to participate. Written draft issues (on diskette, the office directory, or email) are requested from Bureau and outside offices prior to the meeting. NE/DP puts together the issues paper and distributes it to all invitees prior to the issues meeting.

- o The review will be chaired by the AA or DAA (who may delegate chair to NE/DP). Issues will be discussed and an attempt made to develop a consensus.

Step 3. Final Decision-Making

- o If controversial issues that require further thought arise at the review meeting, a small NE Bureau group (Directors of NE/DP, NE/DR and Desk; Mission representative(s) or Country Director) will meet with AA and/or DAA to reach agreement on those issues.

Step 4. Providing Feedback to Missions

- o NE/DP will draft the decision cable for AA/NE approval. The cable will be cleared by DAA/NE, NE/DP, NE/DR, POL/SP, and the Desk.

E. ABS REVIEWS

It is expected that Agency guidance for the ABS will continue to request certain information by strategic objective/program outcome. During ABS reviews, the Bureau will examine the relative assignment of resource levels and whether these reflect Mission strategic objectives. The Bureau will also examine how NPDs, staffing and OE planning reflect Mission priorities as expressed in the strategic objectives.

F. PID AND PP REVIEWS

PID and PP reviews, conducted by both the Bureau and the Missions, should assess how the proposed project contributes to relevant program outcomes and strategic objectives. Reviewers should also assess whether the project's monitoring and evaluation plan contributes to information needs at the program level.

VI. BUREAU REPORTING ON ITS STRATEGIC OBJECTIVES

The Bureau went through a strategic planning process in autumn 1992. It built a strategy "from the ground up," beginning with Mission strategic objectives and developing five Bureau strategic objectives that reflected the great majority of NE Bureau strategic objectives. This strategy covers the period FY 93 through FY 97. The Bureau will report annually on these five objectives and will rely heavily on Mission reporting for compiling the Bureau's annual report. Therefore, the Bureau will use Mission indicators and analyses for summarizing accomplishments across the region. The Bureau anticipates

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producing its first annual report in the spring of 1994, subsequent to receiving and reviewing the Mission's first annual performance reports.

When objectives are similar across Missions, and there is some level of expert agreement on the best indicators to measure progress against those objectives, the Bureau is discussing the inclusion of those indicators (when not already included) in Mission reporting systems with particular Missions. Comparable indicators for comparable objectives would make it easier to report for the Bureau as a whole. It might also make it easier to examine which strategies are working best and why they might be working if similar measures are used across Missions.

VII. PRISM REPORTING ON AGENCY IMPACT AS A WHOLE

CDIE's central PRISM database is essentially a database of Mission program performance databases. It organized the hundreds of strategic objectives and program outcomes submitted by Missions and offices into a common framework that categorizes or "clusters" similar or related strategic objectives for purposes of analysis, comparison and reporting Agency-wide. This framework was developed through a participatory process that involved regional bureau representatives and other technical experts. These clusters are presented in Section 4 of this binder.

CDIE is responsible for analyzing and reporting annually to senior management on performance Agency-wide, using this database. The intent is that AID/W senior managers will, within a few years, be using these PRISM analyses for such purposes as:

- ♦ Reporting convincingly on program performance to oversight agencies, such as Congress and OMB, to fulfill the Agency's commitment to be accountable for results;
- ♦ Discovering which program approaches or strategies applied by Missions achieve their objectives and which do not, and sharing those lessons learned with all Missions working in that area;
- ♦ Compare targets sets by individual Missions against possible Agency-wide targets in order to decide when a particular Mission program (or portion of a program) should "graduate," having achieved the intended results;
- ♦ Recognizing and rewarding Mission progress in collecting, analyzing and using program performance information;
- ♦ Comparing current Mission objectives and resource flows against new Agency mandates and earmarks to determine if and

how the portfolio and budgets may need to be redirected; and

- ◆ Understanding how individual Missions are progressing relative to their planned results.

Currently, over 55 Missions have developed strategic plans and either have or are working on program performance measurement systems. Efforts are underway to expand PRISM coverage to the remaining bilateral development programs. PRISM intends to cover not only Mission activities but also activities managed by central and regional offices in AID/W.

Currently, Mission reporting does not follow a standard format or time but differs from Bureau to Bureau. Some strategic objective-linked tables were included in the June 1992 ABS and will be refined in the June 1993 ABS. Reporting on performance, however, is still determined largely by Bureau guidance. CDIE, working primarily with Africa Bureau and Latin America Bureau program performance reports submitted in the Autumn 1992 and Winter 1993, produced its first annual report in March 1993.

VIII. STRATEGIC PLANNING FOR FY 97 AND BEYOND

During FY 97, the final year of Mission and Bureau strategies, it is envisioned that the Bureau in conjunction with Missions will go through a planning exercise for the following five years. First, a Bureau strategy will be developed, and then individual Missions will develop their own strategies.

ANNEX A CURRENT AVAILABILITY OF TA AND TRAINING

CDIE currently provides short term technical assistance for the development of strategic plans and program performance measurement systems. Some TA will be available for helping Missions assess how their program M&E plans are working after data collection has been going on for a while. The Bureau through a buy-in to CDIE's PRISM contract covers the cost of a NE Bureau PRISM liaison, who can help Missions at different stages of the process. The Bureau is interested in assisting Missions when they are ready to put together their first annual performance report. The Bureau has also signed a PASA with the Bureau of the Census to provide statisticians to 1) review and advise on data sources for program indicators; 2) advise on primary data generation; 3) assist in establishing baseline data and setting performance targets; 4) analyze data; and 5) work to improve quality of data in host country agencies producing data for program indicators.

The Training Resources Group (TRG) has a contract with the Training Division of AID, and Missions can buy into this contract (as the Morocco Mission has done) to acquire facilitators who can assist the Mission with team building around strategic objectives.

CDIE is preparing training workshop design that will concentrate on monitoring and evaluation and on the analysis and use of program data. These will be offered to interested Missions in the coming months.

ANNEX B ACTION MEMORANDUM CONCERNING THE BUREAU'S STRATEGY

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ANNEX C PROJECT TO PROGRAM LINKAGE ANALYSIS² - Strategic Objective No. __

PROGRAM OUTCOME RESULTS	STRATEGIC OBJECTIVE:					
	Strategic Objective Result No. __. __:					
	1992	1993	1994	1995	1996	1997
Program Outcome No.1: Results: 1. 2. 3.						
Program Outcome No.2: Results: 1. 2. 3.						
Program Outcome No.3: Results: 1. 2. 3.						

² The purpose of this table is to help you rationalize the linkage between Program Outcomes and Strategic Objectives. It requires you to map specific Program Outcome results to the Strategic Objective. It assumes that different results materialize at different time periods. Where appropriate the result should be quantified.

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Linkage Analysis³ - Strategic Objective No. __

PROJECT OUTCOMES/ RESULTS	PROGRAM OUTCOME No. __:					
	Program Outcome Result No. __. __:					
	1992	1993	1994	1995	1996	1997
Project No. _____ Project Name: Results/Outcomes: 1. 2. 3.						
Project No. _____ Project Name: Results/Outcomes: 1. 2. 3.						
Project No. _____ Project Name: Results/Outcomes: 1. 2. 3.						

³ The purpose of this table is to help you rationalize the linkage between Projects and Program Outcomes. Different projects produce different results and at different times to produces the results articulated in the Program Outcomes. Where appropriate the project results should be quantified.

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ANNEX D DATA COLLECTION AND ANALYSIS BUDGET FORM

INDICATOR	DATA COLLECT ION INSTRUM ENT (specify type)	DATA COLLEC TION INSTRU MENT DESIGN	DATA COLLEC TION	DATA ANALYSIS	REPORT DESIGN	DATABASE SOFTWARE IMPLEMEN.	INSTITU TIONAL STRENGTH ENING	TOTAL
Strategic Objective __:								
Ind. __:								
Ind. __:								
Ind __:								
Program Outcome __.1								
Ind. __:								
Ind __:								
Ind __:								
Ind __:								
Ind __:								

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INDICATOR	DATA COLLECT ION INSTRUM ENT (specify type)	DATA COLLEC TION INSTRU MENT DESIGN	DATA COLLEC TION	DATA ANALYSIS	REPORT DESIGN	DATABASE SOFTWARE IMPLEMEN.	INSTITU TIONAL STRENGTH ENING	TOTAL
Program Outcome __.2 Ind. __: Ind. __: Ind. __: Ind. __: Ind. __:								
Program Outcome __.3 Ind. __: Ind. __: Ind. __: Ind. __: Ind. __:								

INDICATOR	DATA COLLECT ION INSTRUM ENT (specify type)	DATA COLLEC TION INSTRU MENT DESIGN	DATA COLLEC TION	DATA ANALYSIS	REPORT DESIGN	DATABASE SOFTWARE IMPLEMEN.	INSTITU TIONAL STRENGTH ENING	TOTAL
Program Outcome __.4 Ind. __: ind __: Ind __: Ind __: Ind __:								

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SECTION 2

ILLUSTRATING THE CRITERIA IN USE: EXAMPLES OF OBJECTIVES AND INDICATORS

I. EXAMPLES ILLUSTRATING THE CRITERIA IN USE FOR ASSESSING THE QUALITY OF STRATEGIC PLANS

It is helpful to review these examples subsequent to reading the section on the definitions and criteria in use in the Program Planning Manual, chapter II. Often, the reader will find that any given weak example "fails the test" on more than one criterion.

A. Criterion: The objective describes a RESULT or an IMPACT and not an action or a means

Good examples: **Reduced Fertility or Increased Use of Contraceptive Methods** (depending on the Mission's level of ambition)

Increased horticulture exports to non-traditional markets

Reduced degradation of forest and soil resources

Weak examples: **Support the economic liberalization and growth policies of the host government**

Support selected investment and environmental objectives of the Enterprise for the Americas Initiative

The weak examples do not meet the criterion because they describe actions or means to a higher end. The reviewer is left wondering what the results or consequences of USAID support were.

B. Criterion: Strategic Objectives should describe the impact on people's lives whenever feasible

Whether a Mission can expect to see a direct impact on people's lives as a result of its strategies is tied in part to Mission resource levels relative to the size of the host country's economy. While the Africa Bureau has mandated that all strategic objectives be phrased in terms of the changes seen in people's lives, the Near East Bureau believes that small Missions with very limited resources probably cannot directly affect people's lives in a measurable way, at least not at the national level. Since the level for which a Mission strives should be tied to its resources, it is not possible to present good and weak examples here without a detailed description of resources and host country circumstances that would highlight whether any given objective is within the manageable interest of a Mission. We can present paired objectives that show people level impact along with more modest objectives.

Example 1: **Improved health of women and children under the age of five (people-level)**

Improved delivery of MCH services

Example 2: **Increased income and employment in the private sector non-traditional export sector (people-level)**

Increased private sector non-traditional exports

In the second example, the Mission was initially encouraged to choose the people-level impact objective, or increased income and employment. However, their strategy called for expanding exports, and it was entirely possible that some aspects of that expansion would be capital rather than labor-intensive, so that employment might not increase significantly. In the end, the Mission choose the second formulation as being more within its manageable interest.

C. Criterion: Manageable Interest

Criterion: Achievable within five to eight years

"Manageable Interest" relates to the level of ambition implicit in a Mission's strategic objectives. The level of ambition should not, of course, be uniform across strategic objectives and across Missions - what is appropriate will depend on Mission resources and host country circumstances, as well as the length of time that the strategy runs. It is difficult to give examples of objectives that aren't ambitious enough - small Missions should have relatively unambitious objectives. If anything, there has been a tendency for Missions to choose objectives that are too ambitious. It is relatively easy to give examples of strategic objectives that are too ambitious because they are at so macro a level that almost no USAID Mission could claim to associate its resources with that level of impact.

1. Strategic Objectives that are too ambitious:

Increased Private Sector Employment and Real Wages

This strategic objective was formulated in a country with the following characteristics: high and rising unemployment in both the skilled and unskilled labor sectors; sluggish economic growth; a large fiscal deficit; annual inflation of between 20% and 30%; and a central government which historically acted as the employer of last resort. Declining real wages did represent a significant constraint

to development in the country. However, it was not a constraint which the mission was able to address. The rapid growth of the labor pool, slow economic growth and high inflation indicated that real wages would decrease for the medium term, regardless of donor interventions. Taken with the relatively low level of resources obligated to related activities, it was clear that this strategic objective had been defined at too high a level and had been framed more as a need than an assessment of the mission's potential impact.

Slow the spread of HIV infection by supporting indigenous capacity to identify and implement solutions to the human and economic costs of the AIDS epidemic.

Legitimate questions can be raised about whether this is a feasible 5-8 year objective, particularly given the strategy laid out in the objective statement. There is another problem with this objective in that it is actually a hierarchy of objectives. The first, slow the spread of infection, is a result, whereas the second is a strategy for achieving this result. This is potentially confusing because it is not clear which part is the real strategic objective.

A sound well managed market system and a free enterprise economy

This is supported by an even more ambitious program outcome of "GNP growth with increased exports." Please note that the logic here is also reversed - the reason a Mission might want to support a market system and free enterprise is in order to obtain GNP growth, and not the other way around. More examples of inverted objectives can be found in section E. below.

Transform the economy through increased employment, incomes, investment and productivity

This objective is so ambitious that it does not require comment.

D. Criterion: Single Purpose or Direction

Good examples: Increased Use of Modern Contraceptives

Increased Private Sector Participation in the Economy

Increased Agricultural Exports

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Weak Examples: Reactivated labor-intensive private sector-generated employment and foreign exchange for small business, non-traditional exports, and agricultural sectors

Increased Employment, Income, Investment and Productivity in Non-traditional Sectors of the Economy.

Increased the efficiency with which public services in agriculture (food) research, higher agriculture education, and health (in three provinces) are provided.

These weak objectives are too broad, and are imprecise and confusing because they encompass multiple objectives which require very different strategies. The first two may also be too ambitious. If a Mission thinks it really can have an impact in these multiple areas, then it should phrase them as separate strategic objectives. One problem with multi-directional strategic objectives is that the program outcomes often end up being a restatement of the s.o., only divided by the different sectors included in the s.o.. In the last example, there are three program outcomes, one describing service efficiency in agriculture research, one in education and one in health, so the objective tree gives no clear statement of the strategy or strategies employed. Another problem with multi-directional objectives is that a large number of indicators are required to measure the different facets. If the Mission makes the kind of progress it predicted with respect to a few of those facets but not with respect to others, was the objective achieved or not?

E. Criterion: Logical Consistency in the Hierarchy of Objectives

The question here is whether the strategic objective is logically consistent with the program outcomes and project/program activities which form the lower levels of the strategic framework. From the perspective of objective tree design, is it possible to answer the question, "how" when moving down the tree from the strategic objective or conversely, to answer the question "why" when moving up the tree to the strategic objective?

Good examples: A strategic objective of "Increased Contraceptive Use" with contributing program outcomes of, "Increased Availability of Family Planning Services" and "Improved quality of family planning services." The questions of "why" and "how" are easily and logically answered in this case.

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A program outcome of, "Increased Access to Safe Water" contributing to a strategic objective of, "Decreased Infant and Child Morbidity and Mortality." This program outcome is directly attributable to Mission activities, is defined as a result of those activities and does not require a leap of faith to move to the strategic objective level.

Weak example: A strategic objective of, "Quality of Family Planning Delivery Systems Improved" with a contributing program outcome of, "More Effective Use of Family Planning Methods." This is an example of inverted logic. Using the program logframe method of asking "why" and "how" the inconsistent logic of this relationship becomes clear. *Why* pursue more effective use of family planning (FP) methods - the program outcome in this example. Will it lead to an increase in the quality of FP delivery systems? No, rather it is the potential *result or impact* of the increased quality of those systems. This inconsistency is perhaps even more apparent when moving down the framework while asking the question "how." Only when the SO and the PO are reversed is the relationship logically consistent. *How* is an increase in the effective use of family planning methods to be attained - through the improvement of family planning delivery systems.

The above represents an example of a strategic framework which is structurally inconsistent because its logic is inverted. However, a more common error is to specify strategic objectives and program outcomes which, while not inverted, are simply not consistent.

Weak examples: A strategic objective of, "Support the Economic Liberalization and Growth Policies of the Host Government," with a contributing program outcome of "Increased Availability of Family Planning Services and Commodities." In this example, the program outcome has an exceedingly weak logical link to the strategic objective. It is not logically consistent to link the availability of family planning services with economic growth and

liberalization policies.

A strategic objective of "improved the delivery of health and educational services" supported by two program outcomes: 1) improve health care; and 2) improve basic education. The two program outcomes could be more ambitious than the strategic objective, if the word "delivery" in the strategic objective is understood to mean "access to services." The formulators may mean delivery in a broader sense, but this still leaves us with program outcomes that restate the strategic objective and are not lower order objectives which, taken together, permit the achievement of the strategic objective.

F. Criterion: the program outcomes are critical to the achievement of the strategic objective and are, when taken together, adequate to permit a major impact at the strategic objective level

Good example: Increased Use of Effective Contraceptive Methods supported by program outcomes of 1) increased access to FP services; and 2) improved quality of services

Weak examples: Sustained or improved output and productivity of selected agricultural sub-sectors supported by only one program outcome of increased sustainability of rangeland resource use.

This program outcome deals with only one of the sub-sectors mentioned in the strategic objective - it is also a restatement of the strategic objective. In addition, one wonders if the two objectives conflict, since achieving sustainability could actually lower output.

G. Criterion: the objective is measurable or objectively verifiable

Good examples: Increased Use of Modern Contraceptives

Improved health of children under five

Increased agricultural exports to non-traditional markets

Weak Examples: Improved Ability of Entrepreneurs to Respond to Improved Policy, Legal and Regulatory Environment

Public and Private Sector Leadership Developed

Vis-a-vis the first weak example, it is very difficult to *objectively* measure the ability of an individual or group of individuals. A more appropriate articulation might focus on the measurable results of the improvement of entrepreneurs' ability to respond to an improved investment environment. It is perhaps equally difficult to measure in any objective fashion "leadership." Strategic objectives and program outcomes which are framed in a manner which only permit subjective verification do not function well as elements in a strategic plan for the obvious reason that it is impossible to measure progress towards their achievement. Even when indicators are developed, it is unlikely that both a proponent and a skeptic of the program will agree that they represent valid measures of the objective.

Sometimes the objective is in fact measurable but because its wording is imprecise and fuzzy, the reviewer must turn to the indicators to find out what the Mission is trying to accomplish. Reviewers should not need to turn to the indicators to figure out what the Mission is doing. In fact, they may not always have access to a Mission's indicators. Missions can communicate their strategies more clearly if they strive for precision in the wording of their objectives.



II. EXAMPLES ILLUSTRATING THE CRITERIA IN USE FOR ASSESSING THE QUALITY OF INDICATORS

These examples will make more sense if read subsequent to section IV.C.2. (p. 19) of the program planning manual. The Near East Bureau recognizes that sometimes indicator choices will represent compromises, and that in some sectors where data are of poor quality and/or scanty, it will not be possible to meet all the criteria laid out below. Some of the indicators presented as "weak examples" below may be the highest quality indicator that a Mission can use, given its data circumstances.

- A. **Criterion:** the indicator measures progress as directly as possible. It is not pegged higher or lower than the objective itself.

Good examples:

Contraceptive Prevalence Rate is a direct measure of a strategic objective of "Increased Use of Contraceptive Methods."

Proportion of SMEs obtaining loans and volume of credit are direct measures of a program outcome of "Increased access by SMEs to business financing."

Value and volume of non-traditional exports is a direct measure of "Increased non-traditional exports."

Total Fertility Rate is a direct measure of a strategic objective of "Reduced fertility."

Weak examples:

Numbers trained is not a direct measure of strategic objectives or program outcomes that relate to improve service delivery quality or improved public sector management.

Numbers employed is not a direct measure of increased exports but is a higher order result.

In the first weak example, the indicator (numbers trained) measures outputs and not the higher level objective which relates to quality or improved management. A Mission with such an objective needs to test the link between numbers trained and the actual changes it is seeking.

The second weak example represents a problem that is not uncommon - Missions do sometimes match higher-level indicators to

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lower-level objectives. Missions sometimes do this to show people-level impact, even though the objective is not a people-level objective. Sometimes data are not available and cannot readily be collected for an indicator that is a direct measure of the objective but the Mission can get data for a higher-level indicator. While the second reason is perhaps more legitimate than the first, both confound the logic of the performance measurement plan. Let's take the indicator of numbers employed to measure progress toward an objective of increased exports:

Hierarchy of Objectives	Indicators to Measure Progress
Broad-Based Economic Growth	1) Real GDP growth rate; 2) real per capita income growth rate; 3) percent population living below the absolute poverty level
Increased Private Sector Employment	What do we measure here if we measured employment below????
Increased Private Sector Exports	Numbers employed
1) Policy Reform; 2) Increased Private Investment; 3) Improved Exporter Marketing Capabilities	1) Policy Reform scorecard; 2) private investment as percentage of total investment; 3) Number of US-local firm partnership arrangements

B. Criterion: The indicator is grounded in theory and accepted practice - both a proponent and a skeptic of the program will agree that the indicator is a valid measure of success

Good Examples: Private exports as a percentage of total exports and private investment as a percentage of total investment are both non-controversial measures of a strategic objective of "Increased private investment and trade."

Infant and under-five mortality are both accepted indicators for measuring objectives tied to "improved health of children under five."

Weak Examples: **AID-funded Food for Work roads constructed** is an indicator that very few would accept as measuring progress toward a strategic objective of "Increased voice and choice in local and national government."

C. Criterion: The indicator shows the dimensions of the problem by including both a numerator and a denominator

Good examples: **Percent of SMEs accessing credit**

Percent of age-eligible children enrolled in primary school

Percent of households with reliable access to potable water

Immunization Rate

Percent of pharmacies selling contraceptives

Weak examples: **Number of SMEs accessing credit**

Numbers of children enrolled in primary school

Number of households with reliable access to potable water

Number of children immunized

Number of pharmacies selling contraceptives

The good examples are to be preferred because they tell us about the size of the problem and AID's contribution to solving that problem. Sometimes, however, it is more appropriate to present a straight number than a percentage or ratio. For example, in the last good example, it is preferable to measure the percentage of all pharmacies selling contraceptives. If, however, the Mission's strategy calls for establishing new retail outlets selling contraceptives, then a straight count is called for. There will also be instances when the base is so small that giving a percentage would be misleading and it is more honest to report a straight number. For example, if a small Mission is working in family planning in only one province and it wants to report on improvements in service delivery quality in that

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province, it would be somewhat misleading to report that 90 % of the facilities provided quality services when there were only five facilities in the whole province, even though this might be literally true.

D. Criterion: program outcome indicators can be reported upon annually

Ideally, PRISM would like annual reporting at the strategic objective level, but it is generally recognized that many s.o. indicators do not lend themselves to this. Some, however, do. Annual reporting at the program outcome level is very important, particularly when the strategic objective indicators are not susceptible to annual reporting. Both the Mission and AID/W require timely data for planning and management.

Good examples: **Couple Years of Protection** for a program outcome of "increased access to FP services." CYP can generally be compiled annually from Ministry of Health service delivery statistics and also sometimes from pharmacy wholesaler records.

Number of registration letters issued to first time business owners is an indicator for a p.o. of "increased SME business formation." Data for this indicator can be obtained easily from the relevant government agency on an annual basis.

Percent of diarrheal disease cases provided with ORS is one indicator measuring progress toward a p.o. of "Increased use of effective MCH/FP services." It cannot be reported upon annually because it relies on a once-every-four-years Demographic and Health Survey, so the Mission choosing this indicator has chosen to supplement it with a proxy indicator of **Number of new diarrhea cases provided with ORS rehydration therapy at a Ministry of Health facility**, for which data can be collected annually via Ministry statistics.

This last example represents a good compromise. Missions should not toss out a good indicator because data cannot be collected annually but rather should try to supplement that

indicator with a reasonable proxy indicator that measures some aspect of progress.

E. Criterion: the indicator permits cost-effective measurement

It may not be practical or possible to collect the data for some theoretically elegant indicators. For example, some Missions have chosen to use proxy indicators in place of **maternal mortality rate** to measure progress toward improved maternal health, because a population census is really required to capture MMR and the interval between censuses is too long to fit neatly with most Mission strategy periods. Not even the Demographic and Health Survey has a large enough sample to accurately calculate MMR, except perhaps in countries with very high maternal mortality. Most Missions are very conscious of the staff time and monetary cost issues involved in primary data collection and analysis and so choose proxy indicators when ever the costs appear to be unreasonably high. Missions may in fact sometimes be too ready to choose proxy indicators. Sometimes the expense is justified by the quality of data produced for planning and management. Demographic and Health Surveys currently cost around \$500,000, but the cost is justified by the quantity and quality of information produced.

F. Criterion: a consistent source and data collection methodology are used to produce data for the indicator over time

It would be unwise to rely on different data sources or different data collection methodologies since these may produce different results. Then a Mission would end up with numbers over time that are not comparable and show no consistent trend. One example here is data collection for Mission X's indicator of **percentage of target population completely vaccinated**, measuring a program outcome of increased use of more effective MCH services. The Demographic and Health Survey will produce the highest quality data for this indicator. However, only two surveys will be done during the strategy period and, since the indicator shows progress toward a program outcome, there is a need for annual data. The concerned Mission chose to supplement the DHS data with annual Ministry of Health calculations, feeling that these calculations were of reasonable quality. In order not to jumble the two sources, which could produce different calculations, the Missions will report both percentages throughout time, for those years when both are available, and will analyze any discrepancies. This is a good compromise.

G. Criterion: the indicator is disaggregated by gender (or other significant characteristics) when appropriate

The Agency is very concerned to learn about the impact that AID interventions have on females. Performance indicators should measure the impact of AID strategies and the results that USAID Missions hope to achieve. Therefore, gender disaggregation is most appropriate when the USAID Mission has conducted a gender analysis and determined that differential strategies and different targets are appropriate. For example, if a Mission trying to strengthen micro and small enterprises recognizes that female owners form a not insignificant share of total owners of these enterprises, then it may need slightly different tactics to incorporate female owners into its activities. The Mission should then set targets and measure how successful that incorporation has been. Increasing primary school enrollments is another objective where the strategy to enroll girls may be different from the strategy to enroll boys, and a Mission would want to measure the success of both strategies.

There are other examples where gender analysis is critical to crafting good strategies but where the results might not be directly reflected in gender disaggregated data. For example, factoring into strategies female reluctance to be seen by male health workers and women's desire for separate female-only spaces in clinics may help increase the contraceptive prevalence rate, but it would be inappropriate to disaggregate the rate by gender because the percentages would be meaningless. Gender analysis might also be critical to developing a strategy for increasing the supply of potable water in rural areas, but one would measure in the end population with access to potable water. Disaggregating this indicator by gender would not tell us anything useful.

There are also areas in which gender is largely or totally irrelevant. Improvements in the telecommunications system in Cairo and Alexandria do not seem to require any consideration of gender since women's relationship to telephones is much the same as men's.

If Missions have developed separate strategies to address other significant divisions, such as rural-urban, they may want to show the progress of those different strategies by disaggregating data according to those divisions.

SECTION 3

**EXAMPLE OF COMPLETED PERFORMANCE
MONITORING PLAN
FOR ONE STRATEGIC OBJECTIVE**

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19 April 1993

To: Near East Bureau Staff

Subject: Example of an (Almost) Completed Program Performance Monitoring Plan for a Strategic Objective

Attached is an example of a program performance monitoring plan for one strategic objective, along with baseline data and targets. Some of the baseline data had not yet been collected at the time the plan was put together, and some baseline data were not going to be available for a few months. Targets, of course, cannot be set until the baseline data are known. This draft plan was developed with one Mission but has since undergone revision. It gives a good idea of what kind of information should be provided.

Readers should note that proxy indicators have been included for a few principal indicators for both program outcomes, because data cannot be collected for the principal indicators annually. The need to include proxy indicators has, of course, added to the number of indicators required to assess progress.

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TABLE 1 PERFORMANCE MONITORING PLAN FOR SO1

Strategic Objective 1: Improved health of children under five and women of child bearing age

PERFORMANCE INDICATOR	PRECISE DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/SET DATA QUALITY	EVAL. METHOD/ APPROACH	TIMING AND FREQUENCY OF DATA COLLECTION	FUTURE COSTS OF COLLECTING INFORMATION AND SOURCE OF FUNDS	RESPONSIBLE PERSON/ OFFICE
1 Total Fertility Rate	The average number of children that would be born alive to a woman during her lifetime if she were to pass through all her childbearing years conforming to the age-specific fertility rates of a given year	Demographic and Health Surveys 1992 and 1997; 1992 data were of high quality, but the DHS does have a substantial margin of error. However, no better and more timely source exists.	This is a proxy indicator for maternal health, since it is difficult to determine maternal mortality in any survey conducted less comprehensively and more frequently than a population census.	baseline in 1992; end of strategy period in 1997 (data represent annual averages for the previous five years)	Cost: \$500,000 in 1992; cost will be higher in 1997. This covers the cost of data collection and analysis for several indicators. Source: buy-in	Population and Human Resources - Ms. X
2 Infant Mortality Rate	Annual number of deaths of infants under the age of one per thousand live births	DHS (as above)	standard indicator along with child mortality rate for measuring improvements in the health of children under five.	as above	Cost: as above Source:	Population and Human Resources - Mr. Y
3 Child Mortality Rate	Annual number of deaths of children aged one through four years per total population of the same age	DHS (as above)	as above	as above	Cost: as above Source:	as above

Table 1.a PERFORMANCE MONITORING PLAN FOR PROGRAM OUTCOME 1.1

Strategic Objective 1: Improved Health of Children Under Five and Women of Child Bearing Age
 Program Outcome 1.1: Increased Use of Effective MCH/FP Services

PROGRAM INDICATOR	PRECISE DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/SET DATA QUALITY	EVAL. METHOD/ APPROACH	TIMING AND FREQUENCY OF DATA COLLECTION	FUTURE COSTS OF COLLECTING INFORMATION AND SOURCE OF FUNDS	RESPONSIBLE PERSON/ OFFICE
1 Contraceptive Prevalence Rate (long-term/short-term)	Percent of married women of child-bearing age (15-49) currently using contraceptives, disaggregated by long-term/short-term methods.	DHS - data quality good in Morocco; processed data available	Standard measure for increased use of family planning services	1992, 1997 available the same year	Cost: 1992 \$500,000, cost will be higher in 1997 Source: buy-in	Population and Human Resources - Ms. X
Proxy 1.1 Couple Years of Protection Provided by the Public Sector	Measured using MOPH service statistics, converting long-term/short-term products distributed to CYP: sterilization= 10 CYP; 1 Norplant=3.5 CYP; 1 IUD=3.5 CYP; 15 cycles of pills=1 CYP; 150 condoms=1 CYP	MOPH service statistics - MIS of Sante Maternale Infantile/Plan-ification Familial Data quality reasonably good (USAID has invested in improving this MIS over the past several years), calculation of CYP will need to be made.	This is a proxy indicator for CPR, since CPR data will only be available in 1992 and 1997. If CYP is increasing, more women should be practicing family planning and/or they are selecting longer-term methods. This captures public sector data only. This indicator needs to be analyzed in conjunction with the indicator recording private sector distribution of short-term methods below.	Annual, by calendar year	Cost: 2 days of staff time to collect data and make calculations	as above

PROGRAM INDICATOR	PRECISE DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/SET DATA QUALITY	EVAL. METHOD/ APPROACH	TIMING AND FREQUENCY OF DATA COLLECTION	FUTURE COSTS OF COLLECTING INFORMATION AND SOURCE OF FUNDS	RESPONSIBLE PERSON/ OFFICE
Proxy 1.2 Couple Years of Protection Provided by the Private Sector	Measured as in 1.1 for pills and condoms only, sold by wholesalers to retailers, using sales statistics (International Marketing Services Data available through SOMARC)	IMS through SOMARC, because data count wholesaler sales, losses at the retailer level cannot be calculated. Data are accurate for wholesaler sales to retailers. processed data available.	This is a proxy indicator for CPR, since CPR data will only be available in 1992 and 1997. This captures private sector data for short-term methods. if CYP goes up more rapidly in the private sector rather than the public sector, this might be a sign that the private sector is beginning to assume a larger share of the service delivery burden.	annual, by calendar year	SOMARC purchases and provides at no cost	Population and Human Resources - Ms. X
2 Contraceptive Use Effectiveness Rate	One minus the probability that a woman would get pregnant while using contraceptives	DHS - data of good quality. Processed data available.	Standard measure of whether methods are being used properly - If use effectiveness improves, then more effective methods are being selected and/or women are using methods appropriately.	1992 and 1997	see CPR	as above
3 Percentage of Pregnant Women Receiving Qualified Pre-Natal Care	Percentage of pregnant women seeing an MD, nurse or midwife at least once for prenatal care and receiving one tetanus toxoid injection	DHS - data of good quality. processed data available.	An indicator that measures increased use of effective MCH services.	1992 and 1997	see CPR	Population and Human Resources - Mr. Y
4 Percent of Diarrheal Disease Cases Provided with ORS	Percent of all children under five who had diarrhea in the previous two weeks and who were treated with ORS sachet or home solution	DHS - data of good quality	Ibid.	1992 and 1997	see CPR	as above

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PROGRAM INDICATOR	PRECISE DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/SET DATA QUALITY	EVAL. METHOD/ APPROACH	TIMING AND FREQUENCY OF DATA COLLECTION	FUTURE COSTS OF COLLECTING INFORMATION AND SOURCE OF FUNDS	RESPONSIBLE PERSON/ OFFICE
Proxy 4.1 Number of New Diarrhea Cases Provided with Rehydration Therapy at MOPH Facility	MOPH service statistics defining number of new diarrheal disease cases provided with ORS	MOPH service statistics - MIS of Sante Maternale Infantile/Plan-ification Familial	This is a proxy indicator for the above indicator, so that data can be collected annually.	Annual, by calendar year	Cost: half day of staff time p.a. to collect and analyze data	as above

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Table 1.b PERFORMANCE MONITORING PLAN FOR PROGRAM OUTCOME 1.2

Strategic Objective 1: Improved Health of Children Under Five and Women of Child Bearing Age
 Program Outcome 1.2: Increased Sustainability of MCH/FP Services

PROGRAM INDICATOR	PRECISE DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/SET DATA QUALITY	EVAL. METHOD/ APPROACH	TIMING AND FREQUENCY OF DATA COLLECTION	FUTURE COSTS OF COLLECTING INFORMATION AND SOURCE OF FUNDS	RESPONSIBLE PERSON/ OFFICE
1 Number of MCH/FP visits per donor dollar	Number of MCH/FP visits to MOPH facilities for pregnancy and delivery, FP, diarrheal disease, nutrition surveillance, and immunization services - divided by the number of major donor dollars (USAID, UNFPA, UNICEF, EEC). Donor dollars per annum will be calculated by averaging - taking the grant divided by the number of years of each grant.	Major donor records of grants; MOPH service statistics - data of reasonably good quality.	The Ministry does not organize its budget by program so it is not possible to track the MCH/FP budget or portions thereof to determine if the MOPH is replacing donor funds being shifted from recurrent costs to other interventions. It is possible to count the number of MCH/FP visits, which should increase, and to divide this by the number of visits per donor dollar, to express the efficiency in use of donor funding. This assumes that donor funding remains relatively stable.	Annual, but donor funding will be calculated according to annual averages.	Cost: No \$ cost but 2 days p.a. of staff time to collect information from donors and MOPH and make calculation	Population and Human Resources - Ms. X
2 Percentage of FP users getting contraceptives in the private sector	FP users getting contraceptives in the private market as a percentage of total FP users.	DHS - data of good quality	One way to increase sustainability is to have the private sector pick up a larger share of service provision.	1992 and 1997	Cost: 1992 - \$500,000; more in 1997 Source: buy-in	Population and Human Resources - Ms. X

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PROGRAM INDICATOR	PRECISE DEFINITION OF INDICATOR AND UNIT OF MEASUREMENT	DATA SOURCE/SET DATA QUALITY	EVAL. METHOD/ APPROACH	TIMING AND FREQUENCY OF DATA COLLECTION	FUTURE COSTS OF COLLECTING INFORMATION AND SOURCE OF FUNDS	RESPONSIBLE PERSON/ OFFICE
Proxy 2.1 Private Sector share of the condom and oral contraceptives market	Ratio of commercially distributed pills and condoms to MOPH-provided pills and condoms, translated into CYP	IMS data through SOMARC, MOPH service statistics.	This is a proxy for the indicator above because data can be collected annually. The DHS can be expected to provide a more accurate picture of the private sector share.	annual, by calendar year	SOMARC purchases and provides at no cost	Population and Human Resources - Ms. X
3 Percentage of target population completely vaccinated by MOPH	Percentage of target population completely vaccinated with 3 DFT, 1 measles, 1 Polio, 1 BCG	MOPH service statistics - of reasonably good quality; DHS for two years. The two sources good differ so MOPH data will be collected each year and DHS data will be used to confirm Ministry data. Discrepancies will be analyzed.	Donor support is being withdrawn from immunization, and the MOPH is being assisted to develop a vaccine capitalization fund in order to buy vaccines from their own resources. if current high levels of vaccination are maintained, this is a sign that the Ministry has sustained its vaccination program.	Ministry service statistics are annual, reported on a calendar year basis; DHS done in 1992 and 1997	Cost: DHS \$500,000 in 1992; more in 1997.	Population and Human Resources - Mr. Y
Comments/Notes:						

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TABLE 2

Baseline and Performance Targets

STRATEGIC OBJECTIVE, PROGRAM OUTCOMES/SPECIFIC RESULTS	PRECISE DEFINITION OF INDICATOR & UNIT OF MEASUREMENT	BASELINE YEAR & VALUE	PERFORMANCE TARGETS					CRITICAL ASSUMPTIONS
			1993	1994	1995	1996	1997	
<p>Strategic Objective No. 1: Improved Health of Children Under Five and Women of Child Bearing Age Indicators:</p> <p>1. Total Fertility Rate</p> <p>2. Infant Mortality Rate</p> <p>3. Child Mortality Rate</p>	<p>1 The average number of children that would be born alive to a woman during her lifetime if she were to pass through all her childbearing years conforming to the age-specific fertility rates of a given year</p> <p>2 Annual number of deaths of infants under the age of one per thousand live births</p> <p>3 Annual number of deaths of children aged one through four years per total population of the same age</p>	<p>1992 = 4.2</p> <p>1992 = 57</p> <p>1992 = 20</p>					<p>3.7</p> <p>50</p> <p>17</p>	<p>Socio-political environment remains favorable toward family planning.</p> <p>There are no major epidemics or natural disasters.</p> <p>Economic conditions continue to improve.</p>

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STRATEGIC OBJECTIVE, PROGRAM OUTCOMES/SPECIFIC RESULTS	PRECISE DEFINITION OF INDICATOR & UNIT OF MEASUREMENT	BASELINE YEAR & VALUE	PERFORMANCE TARGETS					CRITICAL ASSUMPTIONS
			1993	1994	1995	1996	1997	
Program Outcome No. 1.1: Increased Use of Effective MCH/FP Services								No major reorganizations of the MOPH, disrupting services.
1. Contraceptive Prevalence Rate	1 Percent of married women of child-bearing age (15-49) currently using contraceptive, disaggregated by long-term/short-term methods.	1992 = 42 LT = 6 ST = 30					49 LT = 11 ST = 31	
1.1. Couple Years of Protection- Public Sector	1.1 Measured using MOPH service statistics, converting long-term/short-term products distributed to CYP: sterilization = 10 CYP; 1 Norplant = 3.5 CYP; 1 IUD = 3.5 CYP; 15 cycles of pills = 1 CYP; 150 condoms = 1 CYP	1991 = LT = 207,396 ST = 733,357	LT = 222,622 ST = 736,792	LT = 265,576 ST = 738,510	LT = 287,054 ST = 740,228	LT = 308,531 ST = 741,945	LT = 330,008 ST = 743,663	
1.2 Couple Years of Protection- Private Sector	1.2 Measured as in 1.1 for pills and condoms only, sold by wholesalers to retailers, using sales statistics	1991 = 263,000	289,901	303,352	316,803	330,253	343,704	
2. Contraceptive Use Effectiveness Rate	2 One minus the probability that a woman would get pregnant while using contraceptives	available 1993	TBD					
3. Percentage of pregnant women receiving qualified pre-natal care	3 Percentage of women seeing an MD, nurse or midwife at least once for pre-natal care and receiving one tetanus toxoid injection	1992 = 32					54	
4. Percent of diarrheal disease cases provided with ORS	4 Percent of children under five who had diarrhea in the previous two weeks and who were treated with ORS sachet or home solution	1992 = 15					TBD	
4.1 Number of new diarrhea cases provided with rehydration therapy at MOPH facility	4.1 MOPH service statistics defining number of new diarrheal disease cases provided with	To be obtained	TBD					

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STRATEGIC OBJECTIVE, PROGRAM OUTCOMES/SPECIFIC RESULTS	PRECISE DEFINITION OF INDICATOR & UNIT OF MEASUREMENT	BASELINE YEAR & VALUE	PERFORMANCE TARGETS					CRITICAL ASSUMPTIONS	
			1993	1994	1995	1996	1997		
<p>Program Outcome No. 1.2: Increased Sustainability of MCH/FP Services</p> <p>Indicators:</p> <p>1 Number of MCH/FP visits per donor dollar</p> <p>2. Percentage of FP users getting contraceptives in the private sector</p> <p>2.1 Ratio of commercially distributed pills and condoms to MOPH-provided pills and condoms, translated to CYP</p> <p>3. Percentage of target population completely vaccinated by MOPH</p>	<p>1 Number of MCH/FP visits to MOPH facilities for pregnancy and delivery, FP, diarrheal disease, nutrition surveillance, and immunization services - divided by the number of major donor dollars (USAID, UNFPA, UNICEF, EEC). Donor dollars per annum will be calculated by averaging - taking the grant divided by the number of years of each grant.</p> <p>2 FP users getting contraceptives in the private market as a percentage of total FP users.</p> <p>2.1 Ratio of commercially distributed pills and condoms to MOPH-provided pills and condoms, translated into CYP</p> <p>3 Percentage of target population completely vaccinated with 3 DPT, 1 measles, 1 Polio, 1 BCG</p>	<p>To be obtained</p> <p>1992 = 37</p> <p>1991 = 26</p> <p>1992 = 76</p>						<p>Government will continue to support private sector provision of services.</p> <p>Government continues to buy vaccines.</p>	
			28	29	30	31	32	47	
			76	76	76	76	76	76	

NB: DHS baseline data for 1992 represent an annual average for the period 1987 to 1992.

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SECTION 4

**CDIE/PRISM CLUSTERS OF
STRATEGIC OBJECTIVES:
PRIORITY PROGRAMMING AREAS**

AID's approach to development assistance places primary responsibility for selecting strategic objectives and defining program strategies with Missions, subject to AID/Washington review and policy guidance. This approach is intended to give Missions the maximum flexibility to tailor development assistance programs to the special circumstances and needs of individual countries. PRISM reflects this decentralized programming by essentially being a bottom-up management information system.

As of June 1992, 55 Missions identified 185 strategic objectives, representing their priority programming areas. For analyzing and reporting on what AID is trying to achieve, PRISM clustered these 185 strategic objectives into fifteen categories of similar or related objectives, and then further grouped these "clusters" or program priority areas under four broad themes. PRISM defined these clusters and themes through a series of Agency-wide workshops and numerous smaller, technical working group meetings. The four broad themes are 1) economic development; 2) human development; 3) democracy and governance; and 4) environment and natural resources management. The attached matrix shows the clusters or program areas under each theme.

Thinking about this clustering exercise has continued to evolve, as additional Missions have submitted strategic objectives, and it is likely that there will be some revisions in the themes and priority program areas in the next few months. Revisions will be distributed for placement in this handbook.

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CLUSTER DEFINITIONS

Clusters	Definitions
Economic Development	Cluster includes strategic objectives aimed at:
1. Increasing Production/Productivity	Increasing production or productivity by increasing the efficiency of domestic markets; programs with strategies in this cluster are aimed at privatization and increasing investment in business and agriculture.
2. Increasing International Trade	Improving international competitiveness and the balance of trade, and, especially, increasing and diversifying traditional and non-traditional exports.
3. Improving Policy/Enabling Environment	Improving the enabling environment for economic growth, such as structural adjustment and stabilization, finance and trade liberalization, macroeconomic and sector policy reform, and physical and institutional infrastructure strengthening. Major strategies include support for policy reform and improving government services and infrastructure.
4. Increasing Economic Participation	Targeting investment broadly to achieve more equitable income distribution, credit flows, and ownership of the means of production; particular target populations may be distinguished by ethnicity or gender, by the size of their productive assets, by income, or by other similar criteria.
Human Development	
1. Improving Child Survival and Maternal Health	Influencing the health and survival of infants, children, and women of child-bearing age; decreasing infant, child, and maternal mortality through immunization, oral rehydration therapy, nutrition, and good health practices.
2. Reducing Incidence of AIDS and Other Selected Diseases	Preventing and controlling the spread of HIV/AIDS and other life-threatening diseases, notably malaria and cholera.
3. Improving Health Systems	Improving overall health systems, including the sustainability of services, their efficiency, and quality.
4. Improving Family Planning	Improving family planning services, including increased access to and use of contraception.
5. Improving Basic Education	Increasing the accessibility and quality of basic education.

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Clusters	Definitions
Democracy and Governance	
1. Strengthening Democratic Representation	Increasing the participation of citizens in the formation and implementation of public policy; supporting the establishment of peaceful and stable forms of political competition. Includes strengthening electoral and legislative procedures and civic participation.
2. Promoting Lawful Governance	Establishing formal constraints on the actions of civil servants, the military, and police; supporting legal processes which contribute to peaceful and predictable social and economic interaction. Includes strengthening the judiciary system (administration of justice) and improving the representativeness and accountability of national and local government.
3. Supporting Respect of Human Rights	Establishing a framework of procedures that protects the integrity of the person and the exercise of basic human rights.
4. Encouraging Democratic Values	Supporting the emergence of basic democratic values (e.g., tolerance for diverse opinions, the value of political compromise, acceptance of majority rule and respect for minority rights and gender, supremacy of civil authority over the military) through civic education and awareness programs, leadership training, and a free media.
Environment and Natural Resources Management	
1. Improving Natural Resources Management	Managing and using existing natural resources in order to conserve and protect the environment. Includes strategies contributing to the establishment and implementation of policy incentives, regulations, and practices that foster the sustainable use of natural resources.
2. Reducing Environmental Degradation and Damage	Reversing the already deteriorated state of the environment; directly addresses indiscriminate practices which have already degraded the environment (e.g., air pollution, deforestation).

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SECTION FIVE

MISSION STRATEGIC OBJECTIVES

AND

PROGRAM OUTCOMES

Near East Bureau
Mission Strategic Objectives and Program Outcomes
March 1993

Strategic Objectives		Program Outcomes			
Morocco	S.O. 1	Increased international competitiveness of Moroccan firms especially in selected export markets.	P.O. 1.1	Improved productivity of firms.	
			P.O. 1.2	Improved marketing capability of firms.	
			P.O. 1.3	Increased private sector investment.	
	S.O. 2	Expanded base of stakeholders in the economy. (Small & medium enterprises & small investors in stock shares)	P.O. 2.1	Enabling policy/regulatory/ institutional framework.	
			P.O. 2.2	Improved access to business & investment financing.	
			P.O. 2.3	Increased entrepreneurial & business skills.	
	S.O. 3	Improved health of children under 5 & women of child bearing age.	P.O. 3.1	Increased use of effective FP/MCH services.	
			P.O. 3.2	Increased sustainability of FP/MCH services.	
	S.O. 4	Increased availability of affordable housing & services for low-income families.	P.O. 4.1	Increased investment and production in shelter & urban development.	
			P.O. 4.2	Improved provision of infrastructure & services.	
	Tunisia	S.O. 1	Increased private sector participation in economic growth.	P.O. 1.1	Increased productivity/quality in Tunisian private firms.
				P.O. 1.2	Responsive policy & institutional environment for private provision of public services.
P.O. 1.3				Broadened & deepened financial markets.	

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Mission Strategic Objectives and Program Outcomes (con't)

Strategic Objectives			Program Outcomes	
Egypt	S.O. 1	Improved macroeconomic performance.	P.O. 1.1	Adoption & implementation of policy reforms in trade, fiscal, financial & business sectors.
			S.O. 2	Increased private investment & trade.
	P.O. 2.2	Increased access to US goods, technology & expertise.		
	P.O. 2.3	Establish & strengthen institutions to facilitate investment & trade.		
	P.O. 2.4	Increased coverage & sustainability of SME services.		
	S.O. 3	Increased production, productivity & incomes in the agriculture sector.	P.O. 3.1	Liberalized product & input markets & increased private sector share of agric. processing & marketing.
			P.O. 3.2	Improved technologies developed & adopted for the production, processing & marketing of agricultural commodities.
			P.O. 3.3	Increased efficiency of water use for agriculture.
	S.O. 4	Increased level & effective use of modern contraceptive methods.	P.O. 4.1	Increased FP service volume & improved quality.
			P.O. 4.2	Improved management capacity for FP agencies.

Near East Bureau
Mission Strategic Objectives and Program Outcomes (con't)

Strategic Objectives		Program Outcomes		
Egypt (con't)	S.O. 5	Improved MCH.	P.O. 5.1	Increased access to health care system & utilization of maternal & prenatal services.
			P.O. 5.2	Improved programs to combat ARI & other communicable diseases affecting children & women.
			P.O. 5.3	Improved sustainability of the health care system.
	S.O. 6	Increased access to & efficiency & reliability of public utilities in urban areas.	P.O. 6.1	Increased number & capacity of telephone exchanges.
			P.O. 6.2	Improved performance of existing electric generation & distrib. facilities.
			P.O. 6.3	Increased number of water & wastewater facilities.
			P.O. 6.4	Enhanced GOE urban management capacity.
	S.O. 7	Adoption of water & air protection practices.	P.O. 7.1	Environmental policy & institutional reform.
			P.O. 7.2	Increased use of protection & conservation technologies.
			P.O. 7.3	Increased treatment of wastewater.
S.O. 8	Strengthen selected democratic systems, institutions & processes. (precise wording TBD)	TBD		

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Near East Bureau
Mission Strategic Objectives and Program Outcomes (con't)

Strategic Objectives			Program Outcomes	
Jordan	S.O. 1	Increased foreign exchange earnings from light Industry agribusiness, tourism & other services.	P.O. 1.1	Improved capability of private firms to produce & market internationally competitive goods & services.
			P.O. 1.2	Increased private investment in the export sector.
			P.O. 1.3	Increased expenditures by tourists in Jordan.
	S.O. 2	More efficient management of water resources.	P.O. 2.1	Improved water quality.
			P.O. 2.2	Increased water conservation & use.
	S.O. 3	Reduced fertility	P.O. 3.1	Increased use of effective contraceptive methods.
Yemen	S.O. 1	Increased access by Yemeni women & their families to social, health and economic services.	P.O. 1.1	Increased availability of quality FP & selected MCH services in project areas.
			P.O. 1.2	Improved planning and management of population program.
			P.O. 1.3	Expanded social & economic opportunities for women in AID selected governorate.
Oman	S.O. 1	Increased Omani workforce capacity & capability in key ministries (health, education, & agriculture & fisheries) & other senior level management positions in government.		None
	S.O. 2	Increased conservation and protection of water resources.	P.O. 2.1	Increased wastewater treatment & water recovery capacity.
P.O. 2.2			Improved management of water resources.	

Near East Bureau
Mission Strategic Objectives and Program Outcomes (con't)

Strategic Objectives		Program Outcomes		
Oman (con't)	S.O. 3	Increased use of modern contraceptive methods to produce optimal family size.	P.O. 3.1	Improved MOH management capability.
			P.O. 3.2	Increased knowledge & acceptability of child spacing & FP among married couples.
			P.O. 3.3	Increased access to high quality child spacing & FP services.
West Bank/Gaza	S.O. 1	Increased marketed production of agricultural & manufactured goods.	P.O. 1.1	Improved marketing of agricultural products.
			P.O. 1.2	Accelerated adoption of improved agriculture technologies, with special emphasis on high-valued, water-saving crops in Gaza.
			P.O. 1.3	Increased adoption of modern business and farm management practices.
			P.O. 1.4	Increased business access to marketing, investment, regulatory and technical information.
			P.O. 1.5	Increased value-added in Palestinian industrial production.
	S.O. 2	Increased use of selected improved health services.	P.O. 2.1	Increased outreach to communities by primary health care (including family planning) and community-based rehabilitation services.
			P.O. 2.2	Improved water and wastewater management.
			P.O. 2.3	Improved health care management, planning and financing for selected institutions.
	S.O. 3	Improved planning & management of development activities by selected Palestinian institutions.	TBD	

NEAR EAST BUREAU STRATEGY

FY 93 - FY 97

February 1993

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EXECUTIVE SUMMARY

A.I.D. programs in the Near East are to support U.S. foreign policy by promoting sustainable economic growth, high levels of employment, widespread recognition of basic human rights, and peaceful relations with neighbors, the benefits of which are shared by a broad spectrum of the population. Assistance levels to Egypt and Israel demonstrate the importance the U.S. Government places on Israel-Arab peace initiatives.

A.I.D.'s development agenda for the region supports these political priorities. A.I.D. has field programs in Morocco, Tunisia, Egypt, Lebanon, Jordan, Yemen, West Bank/Gaza, and Oman. Many of these share a number of important constraints to continued stability and growth. Most have inefficient, state-led economies and underdeveloped political and legal institutions which cannot sustain economic growth and create adequate employment. High population growth and human capital constraints have put future economic and social progress at risk and have led to environmental degradation. Water quality and quantity are increasingly serious constraints. The Near East Bureau's five strategic objectives, under which the bulk of the Agency's development activities in the region fall, address these problems.

- 1) **Expanded and more efficient private sector activity** - The Bureau seeks improvements in the regulatory and policy environment, diversification and increases in private sector production (particularly for export markets), improvements in marketing capability, and privatization.
- 2) **More efficient and accountable governance** - The Bureau seeks to strengthen selected institutions that can improve public accountability of the executive branch and the legal system.
- 3) **Increased use of effective contraceptive methods, and 4) Increased use of effective maternal and child health services** - The Bureau seeks increased availability of services, greater involvement of the private sector in providing services, improvements in service quality, and increased knowledge of contraceptive methods and MCH preventive measures such as pre-natal care and diarrheal disease control.
- 5) **More efficient use and improved quality of water resources** - The Bureau seeks to improve the management and pricing of water; to increase wastewater treatment and reuse; to increase use of pollution prevention and minimization techniques; and to promote inter-country dialogue on water sharing issues.

Beyond working towards these objectives, the Bureau manages several specialized programs of significant political importance and visibility including the Israel cash transfer and humanitarian aid to Lebanon.

The Bureau supports regional cooperation as both an end in itself and a method to achieve the above-listed objectives. Some problems, such as water and improved trade within the region, are transnational in nature and require joint problem-solving, while others are experienced by individual countries. In either case, improved results can be achieved by learning from one another's solutions. Regional approaches include scientific and technical cooperation between Israel and its neighbors in agricultural research, vector-borne disease prevention, pollution prevention, wastewater reuse, and fish production. A.I.D. also provides technical expertise for the working groups on economic development, water and the environment of the Multilateral Peace Talks.

I. REGIONAL CONTEXT

The Near East Bureau has field programs in Morocco, Tunisia, Egypt, Lebanon, Jordan, Yemen, West Bank/Gaza, and Oman. All except Oman are classified by the World Bank as "lower-middle income."

With the exception of Israel and portions of some Arab countries, the vast majority of the region's population is Muslim and Arabic speaking, with a relatively homogeneous culture founded on shared historical, political, religious, and commercial ties. This does not belie, however, the existence of occasionally strong tensions emanating from sectarian cleavages. Post-colonial governments in the region have tended to be relatively paternalistic in economic matters, with a strong emphasis on the public provision of basic goods and social services, and on state control over the means of economic production and distribution. Until recent years, GNP growth in the region was relatively strong, particularly for countries with petroleum resources. Regional politics have been dominated by the Israeli-Arab conflict, Iraq's disagreements with its neighbors, and Iranian-Arab competition.

A.I.D. programs in the region have a strong political rationale. Of total DA and ESF funding for the countries in the Near East region between FY 1987 through FY 1991 (inclusive), 98 percent was ESF, and 93 percent went to programs in Israel and Egypt. Of the total DA and ESF resources made available to A.I.D. worldwide during this period, some 33 percent went to Israel and Egypt. These statistics reveal the importance of the Middle East peace process to U.S. foreign policy objectives, both in the region and in the allocation of A.I.D.'s resources worldwide.

Key U.S. foreign policy objectives for the region include a comprehensive lasting peace between Israel and its Arab neighbors; regional stability and growth; promotion of democratic institutions; and respect for human rights. The absence of social and economic development threatens the achievement of these objectives. The countries of the Near East region share a number of important constraints to continued social and economic development:

- Most have inefficient, state-managed economies;
- Most have underdeveloped political and legal institutions;
- High population growth rates have led to increased pressure on social services, rising unemployment, particularly among the young, and environmental degradation;
- Availability of water and access to arable land are limited, resulting in high rates of urbanization, high population densities per hectare of arable land, and growing concerns about water shortages and;
- Human capital constraints (i.e. health and education) limit economic and social progress.

Progress in removing these constraints will require movement away from heavy state control over the production and distribution of public goods and services and toward

market-driven, private sector-led systems. At the same time, sharp and enduring disparities among the peoples of the region argue for tempering economic growth strategies with efforts to ensure a more equitable distribution of opportunity and of the material benefits that accompany economic growth.

II. THE RELATIONSHIP BETWEEN THE BUREAU AND MISSION OBJECTIVES

The Bureau's objective tree summarizes and gives focus to those strategic objectives that have been adopted by all or most of the Bureau's Missions. It also articulates some objectives which are Agency priorities but can be addressed more effectively at the regional rather than Mission level (governance and water). There are only a few Mission strategic objectives that are not reflected in the objective tree. They represent country and not regional priorities, although some of the activities carried out in support of them also support one or another Bureau strategic objective. For example, Morocco's housing and urban services objective supports improved municipal governance (related to the Bureau's second strategic objective); improved infrastructure in support of an expanded private sector (the Bureau's first strategic objective); and improved water supply and sewerage (the Bureau's fourth strategic objective).

The Bureau's objectives are not intended to replace Mission objectives. The Bureau's objective tree will be used to describe Bureau development priorities to the outside world, including Congress; to organize Mission-level reporting on program performance; and to allocate regional Bureau resources. In terms of allocating scarce resources from the Bureau's regional OYB, activities encompassed by the objective tree will have priority over activities addressing Mission programs not covered by the Bureau's tree. Short of major changes in the Agency's mandate or policies, both Mission and Bureau strategies should remain stable for the five year period, since changes adversely effect the ability to make and measure impact. Any revised Mission strategies must continue to conform generally with the Bureau's strategy. Missions must present a clear and pressing rationale for new strategic objectives outside those of the Bureau.

In addition to its five developmental objectives, the Bureau objective tree includes a separate category of "foreign policy-directed programs." This category recognizes that the Bureau has responsibility for several important programs, Israel and Lebanon for example, that respond to foreign policy priorities but do not directly relate to the strategic objectives.

GOAL

Support US Foreign Policy Promoting in the Region Sustainable Economic Growth, High Levels of Employment, Widespread Recognition of Basic Human Rights, and Peaceful Relations with Neighbors, the Benefits of Which are Shared by a Broad Spectrum of the Population

Foreign Policy-Directed Activities: e.g. Lebanon and Israel Programs

Sub-Goal

Increased Efficiency, Productivity and Competitiveness of Selected Economies in the Region

Healthier, Smaller Families

Sustainable Development of the Region's Natural Resources

STRATEGIC OBJECTIVE NO. 1
Expanded and More Efficient Private Sector Economic Activity

STRATEGIC OBJECTIVE NO. 2
More Effective and Accountable Governance

STRATEGIC OBJECTIVE NO. 3
Increased Use of Effective Contraceptive Methods

STRATEGIC OBJECTIVE NO. 4
Increased Use of Effective MCH Service

STRATEGIC OBJECTIVE NO. 5
More Efficient Use and Improved Quality of Water Resources

- 1.1 Improved financial and economic policies and regulatory environment
- 1.2 Improved infrastructure and urban services
- 1.3 Improved operating and management technology applied to productivity and competitiveness of firms
- 1.4 Strengthened private sector services for marketing and trade promotion
- 1.5 Strengthened and increased U.S. business host country alliances

- 2.1 Improvement in selected aspects of public accountability
- 2.2 Improvement in selected aspects of legal accountability
- 2.3 Improvement in selected aspects of administrative accountability

- 3.1 Increased availability of FP services in the public and private sectors
- 3.2 Improved quality of FP services in service outlets
- 3.3 Increased knowledge of effective FP measures

- 4.1 Increased availability of child survival and maternal health services in the public and private sectors
- 4.2 Improved quality of child survival and maternal health services at service outlets
- 4.3 Increased knowledge of important MCH preventive health measures

- 5.1 Improved public management, including appropriate policies
- 5.2 Increased public participation in water resource management programs
- 5.3 Increased wastewater treatment and water reuse by public and private sectors
- 5.4 Increased use of pollution prevention and waste minimization techniques by public and private industry
- 5.5 Greater inter-country discussion of joint approaches to water resources management

Special Interests: The NE Bureau supports capital projects to employ US expertise and technology in building needed infrastructure and improving the environment. It also uses project resources to foster regional cooperation on development problems.

MISSION SUPPORTING STRATEGIC OBJECTIVES		
BUREAU STRATEGIC OBJECTIVES		MISSION SUPPORTING STRATEGIC OBJECTIVES
Bureau S.O. 1 - Expanded and More Efficient Private Sector Economic Activity	Morocco:	Increased competitiveness of Moroccan firms Expanded base of small & medium enterprises
	Tunisia:	Increased private sector participation in economic growth
	Egypt:	Improved macroeconomic performance Increased production, productivity & incomes in the agriculture sector Increased private investment & trade
	Jordan:	Increased foreign exchange earnings from light industry, agribusiness, tourism & other services
	West Bank/Gaza:	Increased marketed production of agricultural and manufactured goods
Bureau S.O. 2 - More Effective & Accountable Governance		Egypt will have a governance S.O. but this is not yet formulated. Other missions treat as a cross-cutting issue
Bureau S.O. 3 - Increased Use of Effective Contraceptive Methods	Morocco:	Improved health of children under five & women of child-bearing age
	Egypt:	Increased level & effective use of modern contraceptive methods
	Jordan:	Reduced fertility
	Oman:	Increased use of contraceptive methods among married couples

MISSION SUPPORTING STRATEGIC OBJECTIVES		
BUREAU'S STRATEGIC OBJECTIVES		MISSION SUPPORTING STRATEGIC OBJECTIVES
	Yemen:	More responsive systems & practices in selected...health, family planning & women's institutions
Bureau S.O. 4 - Increased Use of Effective Maternal & Child Health Services	Morocco:	Improved health of children under five & women of child-bearing age
	Egypt:	Improved maternal and child health
	Oman:	(no S.O. but Nurses' Training supports)
	Yemen:	More responsive systems & practices in selected...health, family planning & women's institutions
	West Bank/Gaza:	Increased use of selected improved health care services
Bureau S.O. 5 - More Efficient Use, Conservation, & Protection of Water Resources	Jordan:	More efficient management of water resources
	Oman:	Increased conservation & protection of water in Oman
	Morocco:	(no S.O. but Tadla Water Resources project supports)
	Egypt:	Enhanced protection of Egypt's fresh water & urban air resources

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III. NEAR EAST BUREAU GOAL

The Near East Bureau goal is to support US foreign policy by promoting sustainable economic growth, high levels of employment, widespread recognition of basic human rights, and peaceful relations with neighbors, the benefits of which are shared by a broad spectrum of the population.

With respect to sustainable economic growth, the Bureau envisions steady gains in per capita gross national product through expanded private sector production, increased productivity, and gains from international trade in agricultural and industrial products. In order for such growth to be sustainable over time, however, it needs to take place in an open, free-market economy under an institutional and legal regulatory framework that ensures broad participation and accountability. High levels of unemployment, particularly among youth in the cities, are of critical concern in many countries of the region, particularly as governments can no longer serve as employer of first or last resort.

The Bureau defines widespread recognition of human rights in the broadest sense as government and individual respect for the rights of all citizens. It signals the existence of legal rights and institutions that protect the rights of individuals, including minorities.

Peaceful relations between neighbors applies not only to political relations between countries (e.g. the deepening of inter-country diplomatic relations and the avoidance of cross-border hostilities), but also to joint problem solving on technical issues such as water sharing, and the continuing development of functioning and expanding capital markets and trade linkages.

IV. FOREIGN POLICY DIRECTED PROGRAMS

Certain special, Congressionally-mandated programs are important in supporting the Bureau goal but fall outside of the strategic objectives established for development programs in the region. U.S. assistance to Israel supports the preservation of Israel's political and economic stability and thereby enhances the Government's pursuit of the Middle East peace process. Major components of the Israel assistance program managed by the Near East Bureau include cash transfers (\$1.2 billion annually), loan guarantees (\$2 billion annually through FY 97), and programs promoting economic reform and regional cooperation (Middle East Regional Cooperation).

A.I.D. programs for Lebanon provide emergency humanitarian assistance and support for U.S.-based educational institutions. As political stability increases, A.I.D. plans to shift its focus to promote redevelopment, support resettlement of displaced people, and encourage responsible public administration. A.I.D.'s objective is to continue to demonstrate to the Lebanese U.S. interest in their welfare, support for the Government of Lebanon, encouragement of redevelopment, and democratic institutions.

V. NEAR EAST BUREAU SUB-GOALS AND STRATEGIC OBJECTIVES

A. Sub-goal (1): Increased Efficiency, Productivity and Competitiveness of Selected Economies in the Region

Most of the AID-assisted countries in the region entered the 1980s with highly statist economies. Some have moved a considerable distance away from this model, while others are just embarking on reform programs. National economies are expected to become increasingly more efficient and productive over time. Competitiveness will be exhibited: (a) domestically, as government monopolies in some industries are superseded by numbers of private firms and as local entrepreneurs adopt modern technologies in their respective industries; and (b) internationally, as increasing numbers of firms demonstrate their ability to compete effectively in international markets. The two strategies through which the Bureau will contribute to this sub-goal are: (1) expanded and more efficient private sector economic activity; and (2) more efficient and accountable governance. Since public sector policy and activity affect the functioning of the economy, resources devoted to improving governance are as critical to the achievement of the sub-goal as are resources devoted directly to strengthening the productive sectors.

Strategic Objective 1: Expanded and More Efficient Private Sector Economic Activity

Since Government activity still represents a large proportion of the economy in Near East countries, much work still remains to be done to achieve a balance between the private and public sectors. Through its activities, the Bureau assists these countries in their efforts to expand the role of the private sector in mobilizing and allocating resources. All USAID Missions, except Yemen, where resources have been severely reduced, have formulated one or more strategic objectives targeting private sector expansion. Most Missions have a strong export focus, primarily on non-traditional agricultural exports. A few (those in Egypt, Jordan and Morocco) also work with micro- and small enterprises, which more typically produce for the domestic market. The Moroccan and Jordan Missions also promote tourism. The Near East Bureau supports this objective through five program outcomes which are:

Program Outcome 1.1: Improved Financial and Economic Policies and Regulatory Environment

The efficiency gains from a market-oriented economy can only be achieved if an appropriate policy environment is in place. This environment should include a modern and efficient system of financial intermediation, including banks, non-bank financial institutions and securities markets, to mobilize and allocate national savings to productive investment uses. Efficient markets furthermore presuppose economic and fiscal policies, laws and regulations that do not create or sustain incentives to business

and farmers, and consumer decisions that will misallocate resources. Through its projects, policy dialogue and technical assistance, the Bureau assists governments in their efforts to reduce managerial, technical, legal, regulatory and judicial barriers to efficient resource allocation.

Program Outcome 1.2: Improved Infrastructure and Urban Services

Improvements in infrastructure and certain critical urban services can reduce the costs of both manufacturing and agribusiness and improve the overall business climate. The Egypt Mission is the most heavily engaged in funding improvements in infrastructure, but other Missions are involved as well. Missions in Morocco, Jordan and Tunisia manage Housing Guarantee loans, which support greater involvement of the private sector in housing construction as a mechanism for increasing the housing stock, especially in urban areas, more rapidly and efficiently.

Program Outcome 1.3: Improved Operating and Management Technology Applied to Productivity and the Competitiveness of Firms

Increases in productivity and efficiency require improvements in business management and the application of new or improved technologies. Improving accounting practices; rearranging assembly lines; introducing new equipment; strengthening consulting services for businesses; improving packaging; new techniques for producing a more diverse range of exportable horticulture crops; etc. are the kinds of activities included under this program outcome. All Missions that have strategic objectives aimed at strengthening the private sector are trying to improve management skills and production and distribution technologies. To address these objectives, a regional project now being developed will introduce environmentally sound, resource and labor-saving "clean technologies" to private industries in the Near East.

Program Outcome 1.4: Strengthened Private Sector Services for Marketing and Trade Promotion

The region's indigenous private sector needs better access to export markets in order to sell more goods, and to accomplish this the Bureau will work to strengthen private sector marketing and trade promotion services. Strategies include strengthening host country trade associations in agribusiness, environmental technology, light industry and other areas; improving contacts between better trained local and U.S. businessmen, thereby facilitating trade and technology transfer; and improving communication between governments and private sectors concerning the removal of policy constraints on free market trade and investment. The Bureau will accomplish this via Mission projects and a regional project to be designed for FY 94 funding.

Program Outcome 1.5: Strengthened and Increased U.S.-Host Country Alliances

Access to U.S. technology can improve the competitiveness of new and/or expanded businesses in the region. Indigenous entrepreneurs are interested in establishing linkages with U.S. firms in order to gain access to improved management and operating technologies (see program outcome 1.3 above) and access to new markets. The Bureau will work in sectors (e.g. environmental technology, agribusiness, medical equipment, computers, telecommunications, health products and technology) in which the U.S. has a competitive edge and where an expanded U.S. business presence in Near East countries will help complement A.I.D.'s development objectives. The strengthening of trade association abilities to establish connections between interested firms in the U.S. and abroad or make the relevant introductions will be among those activities supported. The Bureau will work closely with other US Government agencies such as USDA, DOC, SBA, OPIC, etc. in undertaking such activities and will ensure that restrictions imposed by U.S. law are fully honored.

Strategic Objective 2: More Effective and Accountable Governance.

The Near East Bureau's Governance and Democracy Program (GDP) is aimed at achieving more effective and accountable governance in order to reduce political and legal constraints to economic development. Accountable governance means that decision makers in the executive bureaucracy are held responsible to those most affected by government decisions and actions. Effective relates to the capacity of governing institutions to fulfill their objectives. GDP assistance primarily targets the building of sustainable institutions and will select the specific governing institutions that are appropriate given a particular country's history, existing institutions, and major development challenges.

Because of the political sensitivity of donor assistance in GDP in the Near East, only one Mission in the region, Egypt, has a governance strategic objective. Other Missions are treating governance as a cross-cutting issue, improvements in which are critical to the achievement of their economic growth objectives. This objective is an area where the Bureau is better placed to manage resources in this highly sensitive political area than the Missions, so the Bureau has instituted a major regional program to do so.

SECTOR ECONOMIC ACTIVITY (x000)

279-0083	Yemen Technical Services and Feasibility Studies	LOP: \$ 4,000
278-0255	Jordan Loan Guarantee/Small Enterprise Development	LOP: \$ 10,000
278-0274	Jordan Agricultural Marketing Development	LOP: \$ 5,000
278-0277	Jordan Private Enterprise Technical Resources	LOP: \$ 12,000
278-0289	Jordan Trade and Investment Project	LOP: \$ 10,000 ¹
278-0291	Jordan Tourism	LOP: \$ 14,000 ¹
278-K646	Jordan Trade and Investment Program (CIP)	LOP: \$ 65,000 ³
608-0189	Morocco Private Sector Support & Export Promotion	LOP: \$ 16,900
608-0204	Morocco New Enterprise Development	LOP: \$ 16,000
608-0208	Morocco Development Training	LOP: \$ 28,000 ¹
608-0210	Morocco Agribusiness Promotion	LOP: \$ 20,000
608-0215	Morocco Privatization Support	LOP: \$ 25,000 ¹
608-0218	Morocco Micro-Enterprise Development	LOP: \$ 14,000 ¹
608-0219	Morocco Accessing International Markets	LOP: \$ 10,400
664-0346	Tunisia Enterprise Promotion	LOP: \$ 14,000
664-0355	Tunisia Management Training for Private Sector	LOP: \$ 14,000
664-0356	Tunisia Private Sector Initiatives in Municipal Development	LOP: \$ 3,000 ¹
263-0201	Egypt Private Enterprise Credit (CIP)	\$1,000,000 ²
263-0202	Egypt Agricultural Sector Reform	LOP: \$ 283,000
263-0212	Egypt Small and Micro-Enterprises	LOP: \$ 20,000
263-0226	Egypt Export Enterprise Development	LOP: \$ 10,000
263-0228	Egypt Small Enterprise Credit	LOP: \$ 9,000
263-0238	Egypt Privatization Support	LOP: \$ 30,000 ¹
263-0241	Egypt Alexandria Sewerage II	LOP: \$ 200,000
263-K626	Cash Transfer for Sector Policy Reform	LOP: \$ 200,000
263-0233	Technical Support for Sector Policy Reform	LOP: \$ 10,000
294-0159	West Bank/Gaza Development	LOP: \$ 70,543 ⁴
298-0376	Regional Clean Technologies	LOP: \$ 1,900 ¹

1 Planned funding, not yet authorized

2 Loans paid back in local currency; Congressional earmark at \$200 million per year over 5 years

3 Planned funding, not yet authorized; loans paid back in local currency

4 Authorization to date, annual Congressional earmark; funds do not exclusively support Strategic Objective 1

Three program outcomes which currently describe different kinds of accountability support achievement of the strategic objective are as follows:

Program Outcome 2.1 Improvement in Selected Aspects of Public Accountability

This outcome encompasses greater accountability of the executive branch to the public. It will be achieved through more active, better informed and better organized interest groups and more effective consensus building fora (parliaments, municipal councils). For example, those Missions with Housing Guarantee loans are promoting increased decision making authority and capacity building for municipal councils. The Egypt Mission has also supported greater local municipal council decision making. Activities have also strengthened labor unions in Egypt, and a women's advocacy group in Tunisia. In addition, a number of Missions, including Morocco and Jordan, are focussing on strengthening business associations.

Program Outcome 2.2: Improvement in Selected Aspects of Legal Accountability

This outcome refers to improving the capacity of legal systems to ensure that public policy is implemented in a fair and efficient manner. This may include improvement of legal/judicial education and training, enhanced systems for court case management, establishment of specialized courts for contract law, and computerized law and regulations archives.

Strategy development on a per country basis starts with a legal and judicial system assessment to identify needs although while these assessments are being conducted, some activities have been initiated.

Program Outcome 2.3: Improvement in Selected Aspects of Administrative Accountability

This outcome refers to mechanisms within the executive bureaucracy itself that ensure that official decisions and actions are held to high standards and are pursued in the national interest. Such activities might include development of performance and merit-based civil service systems; incorporation of better management controls in public agencies and establishment of ombudsman functions in appropriate cases.

STRATEGIC OBJECTIVE 2: MORE EFFICIENT AND ACCOUNTABLE GOVERNANCE (x000)

294-0159	West Bank/Gaza Development	LOP: \$ 70,543 ¹
298-0375	Regional Development of Democratic Institutions	LOP: \$ 1,600
298-0377	Regional Democratic Institutions Support	LOP: \$ 17,500
298-0378	Palestinian-Israel Cooperation	LOP: \$ 700 ²
298-0379	Near East Human Rights Project	LOP: \$ 300

1 Authorization to date, annual Congressional earmark; funds do not exclusively support Strategic Objective 2
2 Authorization to date

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B. Sub-goal (2): Healthier, Smaller Families

Sub-goal (2) has both a quality of life and productivity rationale. A reduction in the total fertility rate, smaller families, is essential to reduce the negative impact that high population growth rates will have on future economic and social development and the environment. Healthier families also result in a more productive labor force. All A.I.D. Missions in the region, except for Tunisia where AID has had successful sustainable health and family planning services, are working to improve the health of women of child bearing age and children under five years of age, and most are working to increase contraceptive prevalence. Increases in contraceptive prevalence are mutually supportive of maternal and child health since optimal spacing between births increases the chances of child survival and reduces the risk of childbirth for mothers, and hence both are appropriate under Sub-goal (2).

Strategic Objective 3: Increased Use of Effective Contraceptive Methods

Progress has been made, particularly in the last five years. Tunisia's contraceptive prevalence rate has now exceeded 50%, while Morocco's and Egypt's rates are approaching that mark. USAIDs in Egypt and Morocco are helping these more mature programs shift a greater burden for the provision of services to the private sector, segmenting the market by introducing a broader range of contraceptives to appeal to women with different requirements, increasing the adoption of more effective longer term methods such as sterilization and I.U.D.s, and concentrating more on increasing prevalence in rural areas, which lag behind urban areas in prevalence. In other countries, such as Jordan and Yemen, contraceptive prevalence is lower and national population policies are relatively new. The Bureau, which will be developing a regional project over the next few months, plans to concentrate these project resources in countries where the total fertility rate remains high, and areas where the prevalence rates lags significantly behind the national rate.

Strategic Objective 4: Increased Use of Effective MCH Services

Most Near East Missions support activities that will lead to more effective MCH services in both the public and private sectors and increased use by the citizenry of key services. The two exceptions are Tunisia where assistance is no longer required and Jordan where as much as 40% of infant mortality is related to short birth intervals and a focus on fertility reduction seems merited. Maternal health services are critical to the health of children as well as the well-being of their mothers. In most countries in the region, insufficient deliveries are adequately attended and optimal pre-natal care is extremely limited.

Both strategic objectives above are supported by three program outcomes, each of which is essential to achieve the objectives.

Program Outcome 3.1 and 4.1: Increased Availability of FP Services in the Public and Private Sectors and Increased Availability of Child Survival and Maternal Health Services in the Public and Private Sectors;

Efforts to increase the availability of services in the public and private sectors includes the following: Increasing access to services for groups that had limited or no access by increasing the number of service delivery points and trained personnel; increasing the range of services and striving for better integration; supporting policy and pricing changes that allow the private sector to provide competitively-priced services; and supporting efforts that improve service-delivery sustainability through policy dialogue, technical assistance in health financing, and greater private sector provision of services.

Program Outcome 3.2 and 4.2: Improved Quality of Family Planning Services in Service Outlets and Improved Availability of Child Survival and Maternal Health Services in the Public and Private Sectors

The public is much more likely to use health services that it sees as being of high quality. Improvements in quality are also essential if services are to achieve the impact they are meant to achieve -- i.e., vaccinated children do not develop diphtheria, and women taking the pill, if properly instructed and motivated, should not become pregnant. The quality of services varies from country to country, and also tends to be better in urban areas than in rural. USAID Missions supporting MCH and family planning objectives invariably support improvements in quality, through training for Ministry of Health staff and private sector practitioners, development of service delivery protocols, and improved management systems.

Program Outcomes 3.3 and 4.3: Increased Knowledge of Effective FP Measures and Increased Knowledge of Important MCH Preventive Health Measures

Knowledge is still a constraint to the use of effective services, particularly in rural cases and among less well educated portions of the population, which in the Near East generally includes the majority of women. Improvements in knowledge has traditionally led to higher numbers of women choosing modern methods of contraception and using those methods correctly. Increased knowledge of the health benefits of family planning may also lead more women to use effective contraceptive methods. Increased knowledge of MCH measures should lead more women to seek pre-natal care, tetanus/toxoid immunization and assisted deliveries. In addition, they will understand the importance for their children of full immunization and the best ways to prevent and deal with diarrhea or acute respiratory infections in young children. Missions promote increased knowledge through improving the knowledge and health education skills of health personnel, through the development of print materials and mass media campaigns, and through social marketing techniques.

**STRATEGIC OBJECTIVES 3: INCREASED USE OF EFFECTIVE
CONTRACEPTIVE METHODS and 4: INCREASED USE OF EFFECTIVE MCH
SERVICES (x000)**

279-0080	Yemen Development Training III	LOP: \$ 75,000 ²
279-0082	Yemen Accelerated Cooperation for Child Survival	LOP: \$ 12,708
279-0090	Yemen Options for Family Care	LOP: \$ 10,600
278-0275	Jordan Marketing of Birth Spacing	LOP: \$ 5,000
278-0287	Jordan Family Health Services	LOP: \$ 7,000 ¹
278-0293	Jordan Post Partum Project	LOP: \$ 11,000 ¹
936-3057	Morocco Central Contraceptive Procurement	LOP: \$ 10,000
608-0198	Morocco Population and Child Survival	LOP: \$ 31,000
263-0144	Egypt Population Project/Family Planning II	LOP: \$ 17,600
263-0170	Egypt Cost Recovery Health	LOP: \$ 95,000
263-0203	Egypt Child Survival	LOP: \$ 67,941
263-0227	Egypt Population/Family Planning III	LOP: \$ 62,000 ¹
263-0242	Egypt Child Survival II	LOP: \$ 30,000 ¹
294-0159	West Bank/Gaza Development	LOP: \$ 70,543 ³
298-0379	Regional Population Project	LOP: \$ 15,000 ¹

1 Planned funding, not yet authorized

2 Funds do not exclusively support Strategic Objectives 3&4

3 Authorization to date, annual Congressional earmark; funds do not exclusively support Strategic Objectives 3&4

C. Sub-goal (3): Sustainable Development of the Region's Natural Resources

High rates of population growth combined with a limited land base on which to support a population have led to degradation and a threatened natural resource base in the region. Future economic growth and improvements in the quality of life are both imperilled if countries in the region cannot develop their natural resources in sustainable ways. The Bureau has chosen to focus on water as the principal environmental issue as well as a major development constraint in the region. Water is a key regional problem since aquifers, rivers, and of course coastal waters are often shared by more than one country.

Strategic Objective 5: More Efficient Use and Improved Quality of Water Resources

The region is predominantly arid, with limited arable land dependent on irrigation from rivers and streams. Many countries have a water deficit in that they currently consume more fresh water than is produced naturally within their boundaries. Most rivers and several aquifers are shared by more than one country. The diminishing quantity and quality of water due to growing populations, urbanization and industrialization have also exacerbated political sensitivities and inter-country tensions related to control over water. Water quality is also becoming a major problem. Reductions in quality have an effect on public health, and can also reduce the ability to reuse water. For example, water that is contaminated with human wastes cannot be recycled for irrigation. Poor water quality, then, affects the quantity that is available for certain uses. For these reasons, the Near East Bureau views increases in the efficiency of use and protection of water quality as the major environmental issue that this region faces. USAID Missions in Egypt, Jordan and Oman have formulated strategic objectives concerned with water conservation and enhancement of quality. The West Bank/Gaza program, while it does not have a strategic objective that addresses water, does have a program outcome under a health objective that targets improved water and wastewater management. The Morocco Mission has as a target of opportunity an irrigation project from which it hopes to learn important water management lessons. In addition, Missions in Jordan, Tunisia, and Morocco are, through Housing Guarantee loans, addressing improved management of urban services, including water and sewerage. Planned and existing regional projects also support this strategic objective.

The Bureau has identified five program outcomes which, if achieved, would have a significant impact on the strategic objective.

Program Outcome 5.1: Improved Public Management, including Appropriate Policies

Improved management of government-operated water resource facilities such as irrigation systems, domestic water supply utilities, etc. is a key element of many Mission programs in water resources. Traditional approaches have included the provision of technical assistance and training. More recently Missions have placed greater emphasis on improving water use efficiency through policy change, including implementation of policies to reallocate water to more highly valued uses, and managing demand through charging fees more reflective of the true economic value of water.

Program Outcome 5.2: Increased Public Awareness of and Support for Conservation Needs

Public awareness of and support for water conservation can potentially contribute to gains in efficiency. The Bureau is working with Ministries to increase the ability of the latter to raise public awareness of conservation. It supports public education carried out by environmental NGOs. It is developing a training and reference manual for conducting public awareness campaigns and examining school pilot programs to promote awareness in young children.

Program Outcome 5.3: Increased wastewater treatment and water reuse by public and private sectors

Inadequate sanitary services is a common problem through the Near East. Untreated wastes are a health hazard and contribute to degradation of water quality. Since many rivers in the region cross national boundaries, degraded water quality in these water bodies is of international concern. Many cities in the Near East region have rudimentary, if any, wastewater treatment facilities. High urban population growth rates compound the problem and result in municipalities being unable to keep up with the demand for sanitation services. A.I.D. has made major contributions to improving wastewater treatment in Egypt. Given the common water short situation throughout the Near East region, many countries are looking at treated wastewater as a resource which can be used again for irrigation and other purposes.

Program Outcome 5.4: Increased use of pollution prevention and waste minimization techniques by public and private industry

The concept of pollution prevention or "clean technologies" refers to a complete and systematic method of assessing industrial production and/or processing system for opportunities to minimize the generation of waste products. Steps to be taken in this method include 1) adequate operation and maintenance; 2) recycling and reuse; 3) materials substitution (choosing less hazardous materials and solvents); and 4) process modification. The attractiveness of the pollution prevention philosophy is in its applicability to resolving both existing urban, industrial, and agricultural pollution problems and in providing an

environmentally sound basis for further developing these sectors. The Bureau provides information to the Missions about these technologies and their potential applications and, in a planned regional project, will be introducing new U.S.-based technologies through "clean technology centers."

Program Outcome 5.5: Greater Inter-Country Discussion of Joint Approaches to Water Resources Management

Some conflict in the Near East can be traced to the inherent water short nature of the region. Given the importance of water in the region, discussions of common problems and attempts to resolve national and international problems of water allocation, water use and water quality are of extreme importance. A.I.D. can serve as a participant in formal U. S. delegations to such talks and provide funding either bilaterally or through other means towards efforts to further the peace process and resolve problems in the region.

VI. CROSS-CUTTING ISSUES, TARGETS OF OPPORTUNITY AND THE RESEARCH AGENDA

A. Cross-Cutting Issues

Cross-cutting issues are ones that are relevant to most or all of the Bureau's strategic objectives. They are problems that the Bureau feels are addressed more effectively in the course of achieving other objectives. These include regional cooperation and problem solving, and gender issues in development.

1. Regional Cooperation and Problem Solving

In selecting this as a cross-cutting issue, the Bureau recognizes the potential value of region-wide work on technical development problems in improving political relations; the transnational nature of some of the problems addressed by its strategic objectives; and the fact that countries in the region can learn much from one another. Support for cooperative problem solving and the development of regional networks are therefore important mechanisms for achieving the Bureau's strategic objectives. The Bureau has projects that seek to foster cooperation particularly in scientific research between Israel and the Arab countries. For example, Egypt and Israel are involved in investigating the use of wastewater for irrigation, in support of the Bureau's fifth strategic objective. In addition, the promotion of greater discussion between countries in the region about certain problems is woven into various Mission and regional projects, such as the Democratic Initiatives Support Project.

STRATEGIC OBJECTIVE 5: MORE EFFICIENT USE AND IMPROVED QUALITY OF WATER RESOURCES (x000)

278-0288	Jordan Water Quality Improvement and Conservation	LOP: \$ 25,000 ¹
608-0194	Morocco Tetouan Urban Development	LOP: \$ 5,264
608-0213	Morocco Water Resources Management	LOP: \$ 18,750
263-0100	Egypt Alexandria Wastewater Systems Expansion	LOP: \$ 390,000
263-0132	Egypt Irrigation Management	LOP: \$ 340,000
263-0140	Egypt Science & Technology for Development (Subproject 02: Schistosomiasis Research)	LOP: \$ 136,750 ²
263-0173	Egypt Cairo Sewerage II	LOP: \$ 816,000
263-0174	Egypt Canal Cities Water and Wastewater	LOP: \$ 380,000
263-0176	Egypt Water and Wastewater Institutional Support	LOP: \$ 15,000
263-0193	Egypt Cairo Water III	LOP: \$ 145,000
263-0232	Egypt Environmental Policy and Planning	LOP: \$ 15,000 ¹
263-0235	Egypt Cairo Sewerage III	LOP: \$ 300,000 ¹
263-0236	Egypt Secondary Cities Water & Wastewater	LOP: \$ 200,000 ¹
263-0239	Egypt Water Resources Management	LOP: \$ 150,000 ¹
263-0241	Egypt Alexandria Sewerage II	LOP: \$ 200,000 ¹
272-0106	Oman Fisheries Development Management	LOP: \$ 20,000
272-0111	Oman Natural Resource Management	LOP: \$ 11,911 ¹
294-0159	West Bank/Gaza Development	LOP: \$ 70,543 ³
298-0158	Middle East Regional Cooperation (MERC)	LOP: \$ 58,000 ³
298-0178	Regional Environmental Activities	LOP: \$ 6,737
298-0365	Regional Project in Development and Environment	LOP: \$ 19,000
398-0289	Irrigation Support for Asia/Near East	LOP: \$ 20,100 ²
298-0376	Regional Clean Technologies	LOP: \$ 1,900 ⁴

1 Planned funding, not yet authorized

2 Funds do not exclusively support Strategic Objective 5

3 Funds do not exclusively support Strategic Objective 5; authorization to date, annual Congressional earmark

4 Planned funding, not yet authorized; funds do not exclusively support Strategic Objective 5

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The peace process has the potential to introduce profound changes in the socio-political dynamics of the region and has already begun to create new development opportunities. The Bureau believes that active follow-up when such development opportunities are created will not only produce tangible development results but can reinforce the peace process. Areas of particular interest are matters benefiting regional trade, joint management of coastal waters, and natural resources management. The Bureau has been closely monitoring the negotiations and supports appropriate development activities as they arise.

2. Women in Development

Women's status in the region overall is low and clearly constrains development in certain areas. The Yemen Mission has formulated a strategic objective that addresses women's development. Most other Missions treat WID or gender as a cross-cutting issue pertinent to many or most of their objectives. These latter Missions have developed or will develop guidelines for integrating women's concerns and interests into those strategic objectives to which gender concerns are relevant. They will be asked by the Bureau to monitor progress. This may require some separate indicators, while data for other Mission strategic objective indicators will be disaggregated by sex. Under the Bureau's private sector strategic objective, enlarging opportunities for female entrepreneurs is of concern. Under the governance objective, much effort is needed on women's legal and civil rights. Under Objectives 3 and 4, women are the obvious beneficiaries of efforts to improve maternal and child health and to expand family planning services. Family planning in particular will allow greater female participation in the work force and may reduce the opportunity costs of sending older daughters, who are expected to care for younger siblings, to school. Women, of course, carry responsibility for the provision of water in the household and are users of water. Their efforts to conserve water and protect its quality are important to accomplishing the fifth strategic objective, and they certainly benefit from cleaner and more abundant water. The Bureau is in the process of developing a guidelines for incorporating women's needs and interests in planning for all Bureau objectives.

B. Targets of Opportunity

A target of opportunity is an objective which does not fit on the objective tree but represents a new opportunity particularly to introduce ideas and technologies that might help mitigate a significant problem in the region. The Bureau applied, and will continue to use, the following criteria in selecting targets of opportunity:

- the problem to be tackled seriously affects three or more countries in the region;
- the aspect of the problem that the Bureau chooses to address is narrowly defined, and the potential to demonstrate results is strong;

- the problem is a growing and compelling concern which A.I.D. may need to address on a larger scale later on;
- A.I.D. or the U.S. has a comparative advantage in working on the problem;
 - the problem can be addressed without drawing significant Bureau resources away from implementation of the main strategy; and
- the proposed intervention will introduce new technologies and ideas to the region.

Because the Bureau wishes to be able to respond to changing conditions and new opportunities, the list of targets of opportunity will not be set for the five year period of the strategy. Targets will be reviewed annually, and old ones may be dropped and new ones added. However, the list will remain short.

Targets selected to date include:

1. The introduction of pollution prevention technologies

Various kinds of pollution are increasingly evident throughout the region. The major problem, that of water quality, has been addressed as part of the fifth strategic objective. Air quality is also of growing concern. Industrial pollution is growing, and, as private sector business activity expands, could worsen. Pollution prevention is being incorporated into relevant Mission and regional activities, where appropriate, but additional targets of opportunity will be seized as they arise.

2. AIDS and TB

AIDS appears to be a growing problem in the region and is beginning to appear in mothers and neonates. Because the disease is under-reported, Ministries of Health may not be aware of the growing magnitude of the problem and the burden that AIDS will impose on government and society in five to ten years' time. The Bureau would support activities designed to raise Ministry understanding of the disease's process and knowledge of how to tackle the problem. TB is also a growing problem, and the Bureau will promote activities that assist governments in getting this disease under better control.

VII. TRACKING PROGRESS

The Bureau will review methods for determining progress in meeting its strategic objectives and for monitoring targets of opportunity and cross-cutting issues in the next couple of months. Where possible, the Bureau will rely on Mission reporting and will attempt to summarize and compare Mission achievements. In some areas, such as the second strategic objective concerning governance and democracy, it will not be possible to rely on Mission reporting, and the Bureau will develop its own indicators and data

collection requirements. The Bureau will also track the use of research findings for those topics on its analytical agenda.