

# A.I.D. EVALUATION SUMMARY PART I

(BEFORE FILLING OUT THIS FORM, READ THE ATTACHED INSTRUCTIONS)

PD-AAZ-897

**A. REPORTING A.I.D. UNIT:**

USAID/Ecuador

(Mission or AID/W Office)

(ES# ESEC - 007 )

**B. WAS EVALUATION SCHEDULED IN CURRENT FY ANNUAL EVALUATION PLAN?**

yes  slipped  ad hoc

Eval. Plan Submission Date: FY 89  90

**C. EVALUATION TIMING**

Interim  final  ex post  other

6/29/83

**D. ACTIVITY OR ACTIVITIES EVALUATED** (List the following information for project(s) or program(s) evaluated; If not applicable, list title and date of the evaluation report)

Project #	Project/Program Title (or title & date of evaluation report)	First PROAG or equivalent (FY)	Most recent PACD (mo/yr)	Planned LCP Cost (000) (\$)	Amount Obligated to Date (000) (\$)
5I8-005I	AGRICULTURAL SECTOR				
5I8-T-063	REORIENTATION PROJECT		7/90	8,500	8,500

IDENTIFICATION DATA

**E. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR**

Action(s) Required

Name of officer responsible for Action

Date Action to be Completed

- |  |                             |                 |
|--|-----------------------------|-----------------|
| 1. Amend the project to add \$500,000 to the Life of Project Funding and extend the PACD an additional 4 months to November 1990.  | Dawn Thomas                 | August, 1989    |
| 2. A Position Paper will be prepared for presentation to the Minister of Agriculture. The paper will describe the project, progress to date, the results of the evaluation. The paper will lay out for MAG consideration, the essential criteria for continued AID support of the Project. | Dawn Thomas/Jack Rosholm    | August, 1989    |
| 3. Hold discussions with the implementing institutions to facilitate resolution of the criteria established in item 2 above.   | ANRO STAFF                  | Sept-Oct., 1989 |
| 4. Prepare a new annex I in the Project Agreement. The new annex will stress institutionalization and coordination aspects of the Project.   | Dawn Thomas / Dave Alverson | Oct-Nov., 1989  |

(Attach extra sheet if necessary)

ACTIONS

**F. DATE OF MISSION OR AID/W OFFICE REVIEW OF EVALUATION:** mo 03 day 9 yr 89

**G. APPROVALS OF EVALUATION SUMMARY AND ACTION DECISIONS:**

Signature Typed Name	Project/Program Officer	Representative of Borrower/Guarantee	Evaluation Officer	Mission or AID/W Office Director
	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>
	Date: <u>8/15/89</u>	Date: _____	Date: <u>8/17/89</u>	Date: <u>9/15/89</u>

APPROVALS

Clearance: D/DIRSSmith *[Signature]*  
PPN: PMaldonado *[Signature]*

# A.I.D. EVALUATION SUMMARY PART II

## J. SUMMARY OF EVALUATION FINDINGS, CONCLUSIONS AND RECOMMENDATIONS (Try not to exceed the 3 pages provided)

Address the following items:

- Purpose of activity(ies) evaluated
- Purpose of evaluation and Methodology used
- Findings and conclusions (relate to questions)
- Principal recommendations
- Lessons learned

Mission or Office: USAID/ECUADOR

Date this summary prepared: \_\_\_\_\_

Title and Date of Full Evaluation Report: EVALUATION OF THE AGRICULTURAL SECTOR REORIENTATION PROJECT (518-0051)

1. Purposes of activities evaluated:
  - a. Project: The overall Project purpose is to assist the GOE in realigning Ecuador's public sector policies and programs for agriculture by increasing reliance on markets and by promoting private sector initiatives. This is being accomplished by accelerating the development of a basic agricultural information system for timely delivery of reliable information to public and private policy analysts and decision makers and strengthening the capability of public and private institutions (i.e. MOA and IDEA) to analyse policy alternatives at the macro level while providing in-depth analyses of immediate policy problems at the micro level.
  - b. Agricultural Information System: The purpose of this component is to improve public institutional capabilities to gather reliable data from numerous sources and convert it into useful information. The frame work of the basic system consists of four activities, whose purposes are:
    - (1) Market News Service, to provide current data on wholesale and retail prices of selected commodities; based on volumes, grades and standards;
    - (2) Crop and Livestock Reporting, to provide both current and prognostic production information on selected crop and livestock commodities;
    - (3) Agroclimatic Impact Assessments, to improve the coverage and usefulness of meteorological data for crop production forecasts.
  - c. Policy Implementation: The purpose of this component is to assist MOA and IDEA in establishing stable, long term capabilities to analyse and formulate policy alternative affecting Ecuador agricultural sector, while strengthening their capacity to analyse, and respond to, immediate policy problems in the sector. This component consists of the following activities, whose purposes are:
    - (1) Policy Agenda, to assist the GOE, particularly MOA, in developing an agenda for policy reform;
    - (2) Policy Analyses, to create permanent units within MOA and IDEA with capabilities to use information generated by the MOA information system, and/or from special studies in priority areas, for policy analysis at the macro and micro levels; and
    - (3) Policy Formulation, to demonstrate the use of macro and micro policy analyses in the policy decision making process.
  - d. Computer Facilities: The purpose of this activity is to expand and improve MOA's capacity to support data generation activities in the design and implementation of computable micro and minicomputer based data processing systems for incorporation into the agricultural information system, and to provide data processing support to the policy analysis activities.
2. Purpose of Evaluation: The purpose for undertaking this mid-term evaluation was to assess the prospects of the Project to fulfill its purpose and objective, and to recommend changes that might be needed to improve the likelihood of success, based on performance and results to date.
3. Evaluation Methodology: The methodology used for the evaluation consisted of: First, examining each activity to identify specific advances, outputs, operational problems; second, identifying specific problems and issues at three levels, i.e. activity, component and project; third, analysing the specific issues and combining them into a lesser number of major issues; and fourth, presenting the latter in the form of questions for discussions, looking at options and making recommendations. This methodology allowed the Mission to examine the issues, re-assess the options and confirm or change the recommendations.

#### 4. Major findings and conclusions:

##### a. Information System Component

(1) Is the mix of activities appropriate?

- Yes. The information activities are appropriate and will provide a solid base and framework for the development of a more comprehensive system overtime. The multi-sub-system design presently being developed by the prime contractor and MOA is a useful blueprint for future development, but should be set aside until the present activities are incorporated into the information system.

(2) Is there a need for a change in focus?

- Yes. Significant progress has been made on activities per se, but integration into an information system has been limited. A change in focus is needed and the major thrust should shift from activity development to information system development and institutionalization also, the role of the computer center in relation to other project activities needs to be clearly defined.

(3) Should the emphasis, for the remainder of the project be changed?

- Yes. Project support should focus on five priority areas. These are: Coordination; training, quality improvement, dissemination; and institutionalization. Specific findings include:
  - (a) Market News Service: Coordination with computer center needs to be improved; Reporters need further training to provide better quality data on grades and standards; information dissemination needs to be tailored to different user groups and facilities need to be expanded and permanent staff contracted or hired.
  - (b) Crop and Livestock Reporting: Coordination and collaboration with INEC need much improvement: INEC computer needs require re-assessment; quality and timeliness of data needs improving.
  - (c) Agroclimatic Impact Assessment: Improve coordination with other Project activities; complete calibration and verification of two additional crop yield models; improve dissemination of information to user groups.
  - (d) Computer Center: Least advanced activity; coordination and support to other project activities need to be defined; permanent staff needs to be assigned.

(4) Will this require changes in Annex I to the Project Agreement?

- Yes. It is desirable to amend Annex I to reflect the strengthened system orientation.

(5) Has sufficient progress been made to justify continued AID support?

- Yes. All activities have been made significant progress as activities per se and support should continue in order to focus on the information systems development and institutionalization aspects.

(6) What types of support are needed?

- Long Term Advisors: Continuation of project manager/information system specialist (17 Pm) and specialist to assist in crop and livestock reporting (12 Pm)
- Short-Term Specialists: Grades and Standards (2 Pm) Interpreting Satellite Imagery (4 Pm); Land Use zoning and Mapping (4 Pm) Information System Analyst (6 Pm); Unspecified (8 Pm).
- Equipment: A network of multi-user microcomputer with appropriate software for INEC; a laser printer for Market News Service; a micro-computer with 2MB of memory, a high resolution screen, a 0.7.m. wide color printer and appropriate software for INEC; a laser printer for Market News Service; a microcomputer with 2MB of memory, a high resolution screen, a 0.7 m. wide color printer and appropriate software for Agroclimatic Assessments.
- Materials: Satellite Imagery for Crop and Livestock Reporting: Fourth generation software for the minicomputer.

##### b. Policy Implementation:

(1) Should the demonstrational policy analysis strategy continue?

- Yes. Although impact has been limited, many studies were well received by some top public decision makers and private agri-business leaders.

(2) Should the macro-economic focus be continued?

- Yes. The work in this area is one of the high lights of this Project. It has awakened a few leaders to the reality of macro-economic impact on agricultural growth by creating incentives and discentives.

(3) Should support continue to MOA's Policy Analysis Unit?

- Yes. However, the PAU role within MOA needs to be clarified and strengthened with more economists. Because of staff limitations, focus should be on micro-economic analysis within the interests of MOA clientele.

(4) Can the Institutionalization of the PAU be realized?

- Yes, over time: With more economists on the PAU staff supported by restructured T.A., and with closer coordination with and support from, the information system, institutionalization can be accomplished, at least in the micro-economic area.

(5) Can IDEA's capabilities be developed?

Yes, over time. However, IDEA must focus its activities to become the source of independent and impartial analysis of policy issues at the macro-level, as well as a neutral forum for discussion in the public and private sectors.

(6) Should actions be taken on the PAU in MOA/Guayaquil?

- Yes. However the project design failed to view Guayaquil as a special condition. If the PAU is not absorbed by the planning board, continued short-term T.A. should focus on major policy issues in a collaborative mode.

5. Principal Recommendations:a. Information System Component

- (1) No additional activities should be undertaken for the remainder of the project.
- (2) Support should continue through the present PACD, concentrating on coordination; training, quality control, dissemination, and institutionalization.
- (3) Temporary contract personnel should be replaced with career employees; additional microcomputer equipment should be provided as identified and additional long and short-term T.A. should be provided.
- (4) An MOA Project Director should be appointed and a technical coordination committee established; more support should be provided to INEC.

b. Policy Implementation Component

- (1) AID should continue to provide short-term policy assistance through PAU and IDEA on priority opportunities to alter policy.
- (2) PAU's macro-economic work should be shifted to the Central Bank. A small PAU unit should continue with long term advisor and selected short-term T.A. A specific law should be passed mandating agricultural economic policy analysis and research support, providing adequate salary levels for professionals, and a strong sector focus on agricultural policy analysis.
- (3) IDEA should receive continuing support to develop a small macro or intersectorial capability and a slightly larger micro or sectoral capability; and IDEA should strive to produce and disseminate agricultural policy research knowledge.
- (4) If PAU/Guayaquil survives a takeover by the planning board, project support should be directed at fortifying the unit.

c. Computer Center:

- (1) Define the relationships and responsibilities of the Computer Center as soon as possible.
- (2) Look into the possibility of exchanging the minicomputer purchased for MOA/Guayaquil for a more adequate system.
- (3) Carry out an in-depth assessment of INEC's needs and the computer configuration that can satisfy those needs most cost effectively.

d. Other

- (1) Support the development of agricultural economists at the Catholic University, Quito.
- (2) Explore ways to expand macro-economic data base.
- (3) Forceful efforts should be made to appoint a highly qualified MOA Project Director.

Lessons Learned:

- (1) Insist on proper counterpart support on institutionalization aspects of a Project during design and early implementation stages.
- (2) Do not be overly ambitious in trying to develop policy analysis and information system capabilities in public sector institutions.
- (3) Do not split responsibilities between contracted firms for the development of an information system.

## PART I - H

1. Purposes of activities evaluated:

- a. Project: The overall Project purpose is to assist the GOE in realigning Ecuador's public sector policies and programs for agriculture by increasing reliance on markets and by promoting private sector initiatives by accelerating the development of a basic agricultural information system and strengthening the capability of public and private institutions (i.e. MOA and IDEA) to analyse policy alternatives and in-depth analyses of immediate policy problems.

K. ATTACHMENTS (List attachments submitted with this Evaluation Summary; always attach copy of full evaluation report, even if one was submitted earlier)

1. 1 copy of the full evaluation report - Agricultural Sector Reorientation Project (518-0051)

L. COMMENTS BY MISSION, AID/W OFFICE AND BORROWER/GRANTEE