

A.I.D. EVALUATION SUMMARY - PART I

PD-ABB-600
67865

1. BEFORE FILLING OUT THIS FORM, READ THE ATTACHED INSTRUCTIONS.
2. USE LETTER QUALITY TYPE, NOT "DOT MATRIX" TYPE.

IDENTIFICATION DATA

A. Reporting A.I.D. Unit:
Mission or AID/W Office USAID/Belize
(ES# _____)

B. Was Evaluation Scheduled in Current FY Annual Evaluation Plan?
Yes Slipped Ad Hoc
Evaluation Plan Submission Date: FY 9

C. Evaluation Timing
Interim Final
Ex Post Other

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 No.	Project /Program Title	First PROAG or Equivalent (FY)	Most Recent PACD (Mo/Yr)	Planned LOP Cost (000)	Amount Obligated to Date (000)
BEST 505-0030	Belize Enterprise for Sustained Technology (BEST)	86	12/89	385,000	385,000

ACTIONS

Action(s) Required	Name of Officer Responsible for Action	Date Action to be Completed
1. All vouchers issued to be properly completed and supported	BEST/ADO	6/30/90
2. Agreement between USAID and BEST on the manner of expense allocation.	"	"
3. Reconciliation of BEST accounting records with expenditure reports.	BEST/ADO	6/30/90
4. Determine cause of high staff turnover and take remedial action.	BEST/ADO	12/31/90
5. Standardization of BEST service for structure for charts	BEST	9/30/90
6. Develop ways to maintain quality service offered at reasonable cost.	BEST/ADO	Continuous
7. Increase growth opportunity for staff and board members (decentralize MD control of day to day operations)	BEST/ADO	Continuous
8. USAID gradually change its method of financial support for BEST.	ADO	Continuous
9. BEST to act as facilitator/supervisor of credit for its clients.	BEST/ADO	Continuous
10. BEST to focus on improving continuity of TA to clients	BEST/ADO	Continuous
11. BEST to limit TA to areas of credible competence and reserves	BEST/ADO	Continuous
12. BEST to ensure TA is consistent with other performances	BEST/ADO	Continuous
13. BEST to reinforce role of ANDA to reduce PVO/NGO overlaps and duplications.	BEST/ADO	Continuous
14. BEST to initiate and continue dialogue with BABCO and BEIP in the promotion of agricultural diversification.	BEST/ADO	Continuous
15. Develop and strengthen relationship with credit institutions such as NDFB.	BEST/ADO	Continuous
16. Develop and strengthen relationship with other PVO/NGOs in WID, e.g.,	"	"
17. BEST should ensure non-economic factors are addressed in their work with women.	"	"

APPROVALS

F. Date Of Mission Or AID/W Office Review Of Evaluation: _____ (Month) _____ (Day) _____ (Year)

G. Approvals of Evaluation Summary And Action Decisions:

Name (Typed)	Project/Program Officer	Representative of Borrower/Grantee	Evaluation Officer	Mission or AID/W Office Director
Signature	Stephen A. Szadek	Carlos Santos	Art Villanueva	Paul A. Bisek
Date	5 July 90	July 12, 1990	7/5/90	7/6/90

ABSTRACT

H. Evaluation Abstract (Do not exceed the space provided)

A final evaluation of the Belize Enterprise for Sustained Technology (BEST) Project 505-0030, was undertaken during the period March 7 - 23, 1990. The evaluation team consisted of Allen C. Hankins, Azucena Quan and Teresita Yee.

This evaluation incorporated the use of on-site visits, discussions and meetings with BEST clientele in all six geographic districts of Belize. Personnel in the private and public sectors, PVO/NGOs, donor agencies and BEST were also interviewed. BEST internal records and documents were reviewed.

The objective of this evaluation was to examine and assess the performance of BEST and make recommendations related to future program plans and support.

The major findings and conclusions of the team were:

1. BEST performs an essential service to rural organizations, especially in the areas of management and financial skills.
2. BEST is most effective when its assistance to client organizations is designed to dovetail with the existing stage of development and structure of that particular organization.
3. Frequent changes in field staff disrupted the continuity (and quality) of technical assistance to clients.
4. BEST is able to regularly inform the public and its clients about its programs and activities.
5. NGO/PVOs have different agendas which do overlap in some instances. BEST tries not to intrude in other's territories and has taken on leadership of the NGO community with the aim of reducing duplication and waste of scarce resources.
6. BEST has excellent success when their TA to a group extends over a long period of time. They, however, need to constantly refine their techniques of delivery based on past experience in order to reduce potential errors of omission or judgment.
7. BEST maintains a generally accepted accounting system with various checks and balances. No written internal control procedures are in existence.
8. The USAID grant was used in accordance with the Grant Agreement. BEST followed A.I.D. procurement and contracting regulations when necessary.

The evaluation noted that: BEST needed to demonstrate improvement in the areas of personnel management, selection of specialization as well as service for structuring.

C O S T S

I. Evaluation Costs

1. Evaluation Team				
Name	Affiliation	Contract Number OR TDY Person Days	Contract Cost OR TDY Cost (U.S. \$)	Source of Funds
Allen C Hankins		12	5,535	OE
Azucena Quan		12	1,484	OE
Teresita Yee		12		OE

2. Mission/Office Professional Staff
Person-Days (Estimate) 20

3. Borrower/Grantee Professional
Staff Person-Days (Estimate) 20

A.I.D. EVALUATION SUMMARY - PART II

SUMMARY

J. Summary of Evaluation Findings, Conclusions and Recommendations (Try not to exceed the three (3) pages provided)
 Address the following items:

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

Mission or Office:

USAID/Belize

Date This Summary Prepared:

June 1990

Title And Date Of Full Evaluation Report:

Evaluation of Belize Enterprise for Sustained Technology - March 23, 1990

Purpose of Activity Evaluated: The purpose of the project is to provide support for BEST to achieve the following:- (1) Provision of an integrated package of management and technical services to low income farm groups within Belize, (2) Coordination of the physical, human and financial resources available to these groups, and (3) Cooperation with local institutions (governmental and non-governmental) in order to magnify and extend the impact of the services and resources available for agricultural development in Belize.

Purpose and Method of Evaluation: The purpose of the evaluation was to examine and assess the performance of BEST and make recommendations related to future program plans and support. The methodology used included:

- (1) Field works to districts and interviews of BEST clients
- (2) Review of information/records provided by individuals, BEST, USAID, etc.
- (3) Interviews of BEST, NGO, USAID and other personnel.

Findings and Conclusions: (1) The general consensus is that BEST performs an essential service in assisting rural organisations particularly with management and financial skills. Private firms that offer these services are simply too expensive for infant business enterprises; (2) BEST is most effective when its inputs to the participating organization are properly tailored and sequenced to the existing stage of development and structure of that organization. BEST inputs are not useful if the basic organizational structure and member support mechanisms are not in place; (3) Almost uniformly, all interviewed stated that BEST personnel were professionally helpful to their organization. However, the changes in the field staff frequently disrupted the continuity of the technical assistance received by the client. This often reduced the field efficiency of BEST; (4) BEST does a good job of informing the public and its clients what they can do. They try not to intrude on the territory of others working with rural organizations. However, the other NGO/PVO's have their respective agendas and overlaps do occur - not necessarily with BEST.; (5) The NGO/PV community have differing policies on the manner in which to assist cooperatives and associations to become financially viable business operators. Some prefer to offer only grants or subsidised loans to the groups for their business undertakings. Others, such as BEST, simply charge a fee for services rendered. The clientele sometimes manipulate the process to get maximum service and resources at little or no cost; (6) Communication gaps not only exist among NGO/PVO's but also between public sector entities and NGO/PVO's; (7) BEST forte as compared to other NGO/PVO's is a relatively well-focused agenda of services. While the report was not intended to critique other NGO/PVO performance, it is questionable whether some of them are utilizing their scarce resources efficiently. Some attempt to cover as many as 8 to 10 social or technical interventions. The low level of funding does not seem to support the wide range of activities; (8) BEST has excellent success when their supervision or assistance to a group extends over a long period of time in general. They have a good grasp of the cultural/social elements within rural communities, but they should constantly seek refinements based on their past experiences to reduce potential errors of omission or judgment; (9) BEST maintains a generally accepted accounting system and installs various checks and balances, although they have no written internal control procedures; (10) The USAID Grant was used in accordance with the Agreement and BEST followed A.I.D. procurement and contracting regulations whenever necessary.

Principal Recommendations: (1) USAID assistance be continued - pending availability of funds - as BEST does fill a very necessary role in fostering better managed rural organizations. However, the team would like to see a significant reduction in direct grants to BEST and more contracts to facilitate A.I.D. supported activities in Belize; (2) To improve

S U M M A R Y (Continued)

field performance, BEST must do a better job of: (a) assuring the same personnel be involved in working with rural groups since continuity does create better relationships and increase the effectiveness of BEST technical assistance; (b) taking on new jobs only when there is adequate staff and a commitment for that staff member to be on-site (BEST simply cannot repeat the experience they had with VITA in the Toledo district); (c) refining even more their area of expertise. They have excellent capabilities in financial management and training. It should be strengthened; (d) develop an objective, standardised basis for charging service fees in accordance with the financial capabilities of its clients/recipients and then adhering to these financial schedules; (3) BEST services are highly appropriate to the BABCO production/marketing program particularly in dealing with member cooperatives that are engaged in new crop development. BEST and BABCO have mutually reinforcing services. The two organisations should coordinate services to clients wherever appropriate; (4) The creation of the Association of National Development Agencies (ANDA) is a step forward in trying to reduce overlap and inconsistencies among NGO/PVO's. BEST is encouraged to continue its leadership role in this necessary process.

Lessons Learned:

1. Project to support PVO/NGOs should have a plan for self-support/sustainability to be implemented before PACD.
2. The low level of education and internal financial management in rural organisations in Belize makes more difficult the implementation of financial discipline within such organisations. The impact of interjections/technical assistance in these areas will not be discernable over a short or even medium term. A slow, continuous long-term effort is needed for success.

ATTACHMENTS

K. Attachments (List attachments submitted with this Evaluation Summary; always attach copy of full evaluation report, even if one was submitted earlier; attach studies, surveys, etc., from "on-going" evaluation, if relevant to the evaluation report.)

The full Evaluation Report including the Scope of Work.

COMMENTS

L. Comments By Mission, AID/W Office and Borrower/Grantee On Full Report

The evaluation served its purpose. It has presented to the AID/Belize office a set of clear recommendations for future action based on the performance of BEST over the period assessed. USAID/Belize is satisfied that the Scope of Work was fulfilled.

BEST's operation in Belize has assisted with the development of private sector activities through the strengthening of farmers' organizations and cooperative. Although supported with A.I.D. Grant funds, BEST requires that their clients pay for the services provided based on the groups income. USAID/Belize believes this is unique and generates on the part of the client more incentives to participate in the consultant services being provided. The client service fee also provide a source of income for BEST's sustainability.

XD-ABB-600-A

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**EVALUATION OF
BELIZE ENTERPRISE FOR SUSTAINED TECHNOLOGY**

**Submitted to: Elzadia Washington
Assistant ADO
and
Mosina H. Jordan
A.I.D. Representative**

**Submitted by: Allen C. Hankins
Azucena Quan
Teresita Yee**

March 23, 1990

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ACRONYMS

ANDA	Association of National Development Agencies
BABCO	Belize Agri-Business Company Ltd.
BARD	Belize Agency for Agricultural Development
BEIPU	Belize Export and Investment Promotion Unit
BEST	Belize Enterprises for Sustained Technology
BIM	Belize Institute of Management
BRWA	Belize Rural Woman's Association
CFA	Cane Farmers Association
ECDS	Ecumenical Cooperative Development Society
GOB	Government of Belize
MAF	Ministry of Agriculture and Fisheries
MIS	Management Information System
MSC	Multiple Service Center
NDFB	National Development Foundation of Belize
NGO	Non-Governmental Organisation
PVO	Private Voluntary Organisation
TA	Technical Assistance
TAMP	Tolèdo Agricultural Marketing Project
TSFDP	Toledo Small Farmers Development Project
USAID	United States Agency for International Development
VITA	Volunteers in Technical Assistance

1.0 EXECUTIVE SUMMARY

A. OBJECTIVE

To provide a report that examines and assesses performance of the Belize Enterprise for Sustained Technology (BEST) and make recommendations related to future program plans and support.

B. PROCEDURES

On site visits, discussions, and meetings were made by the team in all six districts of Belize where BEST provided assistance. Appropriate personnel in the public sector were contacted as well as farmers, villagers and leaders in cooperatives, producer and marketing associations, NGO/PVO's, other donors, and of course, the BEST personnel.

C. OBSERVATIONS/CONCLUSIONS

1. The general consensus is that BEST performs an essential service in assisting rural organisations particularly with management and financial skills. Private firms that offer these services are simply too expensive for infant business enterprises.
2. BEST is most effective when its inputs to the participating organization are properly tailored and sequenced to the existing stage of development and structure of that organization. BEST inputs are not useful if the basic organizational structure and member support mechanisms are not in place.
3. Almost uniformly, all interviewed stated that BEST personnel were professionally helpful to their organization. However, the changes in the field staff frequent disrupted the continuity of the technical assistance received by the client. This often reduced the field efficiency of BEST.
4. BEST does a good job of informing the public and its clients what they can do. They try not to intrude on the territory of others working with rural organizations. However, the other NGO/PVO's have their respective agendas and overlaps do occur - not necessarily with BEST.

5. The NGO/PVO community have differing policies on the manner in which to assist cooperatives and associations to become financially viable business operators. Some prefer to offer only grants or subsidised loans to the groups for their business undertakings. Others, such as BEST, simply charge a fee for services rendered. The clientele sometimes manipulate the process to get maximum service and resources at little or no cost.
6. Communication gaps not only exist among NGO/PVO's but also between public sector entities and NGO/PVO's.
7. BEST forte as compared to other NGO/PVO's is a relatively well-focused agenda of services. While the report was not intended to critique other NGO/PVO performance, it is questionable whether some of them are utilizing their scarce resources efficiently. Some attempt to cover as many as 8 to 10 social or technical interventions. The low level of funding does not seem to support the wide range of activities.
8. BEST has excellent success when their supervision or assistance to a group extends over a long period of time in general. They have a good grasp of the cultural/social elements within rural communities, but they should constantly seek refinements based on their past experiences to reduce potential errors of omission or judgement.
10. BEST maintains a generally accepted accounting system and installs various checks and balances, although they have no written internal control procedures.
11. The USAID Grant was used in accordance with the Agreement and BEST followed A.I.D. procurement and contracting regulations whenever necessary.

RECOMMENDATIONS

Based on the preceding observations and the team's assessment, it is recommended that:

1. USAID assistance be continued - pending availability of funds - as BEST does fill a very necessary role in fostering better managed rural organizations. However, the team would like to see a significant reduction in direct grants to BEST and more contracts to facilitate A.I.D. supported activities in Belize.

2. To improve field performance, BEST must do a better job of:
 - a) assuring the same personnel be involved in working with rural groups since continuity does create better relationships and increase the effectiveness of BEST technical assistance.
 - b) taking on new jobs only when there is adequate staff and a commitment for that staff member to be on-site (BEST simply cannot repeat the experience they had with VITA in the Toledo district);
 - c) refining even more their area of expertise. They have excellent capabilities in financial management and training. It should be strengthened.
 - d) develop an objective, standardised basis for charging service fees in accordance with the financial capabilities of its clients/recipients and then adhering to these financial schedules.
3. BEST services are highly appropriate to the BABCO production/marketing program particularly in dealing with member cooperatives that are engaged in new crop development. BEST and BABCO have mutually reinforcing services. The two organisations should coordinate services to clients wherever appropriate.
4. The creation of the Association of National Development Agencies (ANDA) is a step forward in trying to reduce overlap and inconsistencies amongst NGO/PVO's. BEST is encouraged to continue its leadership role in this necessary process.
5. The Board is composed of very capable individuals. We recommend that the process continue whereby BEST management and the Board address the tough issues in a decisive manner such as improving staffing consistency, resource allocation and management by objectives.

2.0 BACKGROUND

A. Purpose

This review is complementary to several reviews and assessments by the USAID Mission to determine how well some of the A.I.D. supported public and private sector organizations are performing in improving the social and economic well-being of rural Belizeans.

The report will provide the Mission with a set of observations and conclusions on BEST performance supported by a packet of recommendations that A.I.D. can utilize for future programming purposes. Concurrently, discussions with BEST management indicate their interest in the team's commentaries for their internal use.

Specific objectives of this review for assessing BEST are found in the STATEMENT OF WORK (Annex I).

B. Procedure

A two-week work plan (12 work days) and agenda was developed by the team in consultation with the USAID Mission and BEST. Time was of essence to conduct the visits at an early date. All informally agreed to the arrangements.

Field visits were made to all districts. A number of individuals and organizations involved in or associated with BEST project activities were visited and interviews conducted (See Annex II). These were particularly constructive in helping to shape the overall observations and recommendations.

Following the field visits and reviews of relevant information obtained from individual and organizational records, this report was prepared in accordance with the statement of work guidelines.

As agreed upon by the Mission, the report was to be prepared in a concise manner with a set of implementable recommendations.

3.0 FINANCIAL MANAGEMENT REVIEW

(BEST Internal Operations)

The financial analyst assessed the overall financial management system of BEST in terms of: (a) whether USAID funds were used in accordance with the agreement, (b) maintenance of an efficient and accurate accounting system identifying expenditures by source of funding, (c) compliance with A.I.D. purchasing and contracting policies, and (d) presence of an adequate internal control system.

On-site visits at the BEST office were made to review and verify pertinent records. In addition, several meetings were held with the Managing Director and the Finance staff.

Observations

A) Accounting System

1. BEST maintains a manual double-entry accounting system. The Books of Accounts being used are the Cash Receipts and Disbursement Book, General Ledger and General Journal. BEST has an accounting guidelist containing descriptions and procedures particularly on cash receipts and cash payment methods. They also plan to install a computerized accounting system starting with the 1990 records.
2. Transactions are posted using the cash basis method and journal entries are prepared to record accruals at year-end. The Books of Accounts were found to be current.
3. Check payment vouchers were prepared by the accountant and approved by the Managing Director. All checks issued were co-signed by the Board member (Mr. Anthony Chanona) and the Managing Director (Mr. Carlos Santos). Sampled vouchers were found to be properly filled-out and contained the necessary signatures except that several vouchers were unsupported.
4. Subsidiary ledgers/records such as the Fixed Assets Schedules and Travel Advances List were kept to ensure close monitoring of inventory movements and cash accountability.

B) Compliance with A.I.D. Procurement and Contracting Policies:

1. The nature of the items financed by USAID were such that there were no non-expendable items purchased. We gathered from discussions with BEST management of their awareness of A.I.D. procurement policies such as the need for canvassing whenever practicable.
2. The Managing Director has a general knowledge of A.I.D. Contracting regulations and had followed these in the hiring of BEST personnel.

C) Internal Control System

BEST has no written internal-control policies and procedures. Nevertheless, various checks and balances are in place such as:

- segregation of duties among its personnel
- checks are signed by two individuals
- external audit by Price Waterhouse annually.

D) Use of Funds in accordance with the Grant Agreement

Generally, USAID funds were expended to finance the budget line items in the agreement. A review of the BEST documents revealed the following:

- BEST liquidations were computed as a percent of total costs incurred by expense category. For example, salaries reported as liquidation is 55% of total salary expense for the month. The rates used varied every liquidation report submitted. There was no written document in the file showing USAID's approval of the method of allocation and the rates used. According to BEST, they assumed that USAID implicitly agreed to the above.
- USAID records showed US\$384,813 in total expenditures from the US\$385,000 grant. Whereas, BEST accounting records revealed US\$378,311.26 (Bz\$756,622.51) in total expenses charged against USAID. In a summarized liquidation and reimbursement report requested by the evaluation team, BEST reported total expenditures of US\$388,889 or Bz\$777,778.

Recommendations

- a) BEST management should see to it that all vouchers issued are properly and completely supported.
- b) On the liquidation of advances, USAID and BEST should formally agree in writing, the manner of expense allocation considering that BEST has various donors supporting its operations.
- c) BEST should review and reconcile its accounting records with the expenditure reports submitted and inform USAID, in writing, of the correct expenditure amount.

4.0 FINANCIAL MANAGEMENT REVIEW

(Field Impact)

The financial analyst appraised the quality of the financial services extended by BEST to various cooperatives and associations. These services consisted of the installation of a functional accounting system, cost control and management information system. The extent to which the management unit of these enterprises were capable of using these tools to monitor the performance of these enterprises, assess prospective operational changes and evaluate new and/or expansion opportunities was also assessed.

Observations

1. On-site visits were made to 9 cooperatives and associations. Six (6) cooperatives were delinquent in updating their accounting systems and only two (2) had up-to-date accounting records. The two associations had established accounting systems prior to any dealing with BEST. BEST assisted them mainly in the design of project loan proposals. In the Corozal Cane Farmers' Association, BEST was engaged to computerize their accounting system for 1990.
2. For those where BEST is to set-up their financial management system, the majority are still undergoing training. Therefore, the extent of usefulness of the financial information/reports generated from the accounting system cannot be presently determined.

3. The majority of the cooperatives and associations complained of the high staff turnover at BEST. This hampered their training schedules and even resulted in the suspension of BEST services for an indefinite period.
4. BEST does not have any written guidelines on the amount of fees to be charged to various cooperatives and associations. Based on the assessments, there were some which were charged exorbitantly while others were billed very minimally, considering their financial capabilities.

Recommendations

1. BEST should pinpoint the causes for its high personnel turnover and immediately resolve this problem. Almost all the recipients/clients interviewed recognized the beneficial impact of BEST services and will gladly appreciate if BEST could pursue its objectives more aggressively through quality staff who will work with BEST on a long-term basis.
2. BEST should devise an objective, standardised basis for charging service fees in accordance with the financial capabilities of its clients/recipients.

5.0 TECHNICAL ASSISTANCE AND PERFORMANCE

Apart from meetings with sixteen client groups of BEST, contacts were made with GOB Department of Cooperatives, TAMP personnel and a number of non-governmental organisations to gain some understanding of the efficacy and benefits derived by client groups from BEST targeted assistance.

BEST provides an integrated package of management and technical services to producer groups in agronomic, financial management, management and accounting skills. Their objective is to improve the performance of these groups in achieving self-sufficiency and financial viability by fostering their economic autonomy, providing training in business management and improving capabilities in selected agricultural enterprises. (See Annex 1, Statement of Work, for greater details on the functions and objectives of BEST.)

BEST commenced operations in October of 1985. It began intensive field operations in 1987 when it became adequately staffed with qualified personnel. The exception was some earlier work in papaya cooperatives. In other words, this review is assessing an operational programme of three years.

A. BEST INTERNAL OPERATIONS

Observations

1. BEST professionals are generally well paid and near the top of the line when it comes to salary/amenity structures as compared to equivalent civil servants and other NGO/PVO's. It appears at times that the relatively high powered level of these professionals may be more than what is necessary to serve some of the very modest activities of the client group. Once the overall evaluations and basic steps are in place, it seems that "lower-level" professionals could be better integrated into the process and do the basic training and monitoring tasks as well - and perhaps at a lower cost. Some suggestions:
 - a) Do more train-the-trainer programs and use individuals of the area to be more involved in helping the client. This allows the professional staff to do more planning and overall supervision of projects. This is a reinforcement of a recommendation made in an earlier evaluation report.
 - b) Link more closely with groups like NDFB where their field personnel do similar task in helping rural people and/or organizations manage their resources better.
 - c) Where feasible - relate to BIM where professional expertise at "higher levels" may be periodically shared or interchanged.

BEST constantly needs to assess their resource base and utilization and concurrently needs to exercise economically efficient cost controls which may reduce overhead expenditures.

2. BEST is now past the stage where institutional reliance should be confined to one or two persons. The Board is diverse and much stronger in addressing issues on operations and management. The staff is professionally competent and has some good self-starting characteristics. Yet, a perception in the development community is that BEST is a "Lone Ranger" operation coupled with a low-keyed professional staff.

This perception, while not altogether accurate, does exist. "Letting Go" is difficult for anyone who has

nurtured an activity from its inception, but more latitude is needed to allow the system to work and give the professionals more decision-making tasks.

Recommendations

1. BEST continue, as part of this internal operations, to seek ways to maintain quality services within reasonable operational budgets.
2. The staff and Board are demonstrating institutional maturity. They should be given more opportunity to grow publicly as well as professionally.

B. FIELD IMPACT

Observations

1. BEST forte is in accounting and financial management. The organisation has built up a strong cadre of qualified and experienced personnel in business administration and financial management skills. Their expertise in this field is well recognised and appreciated by their client groups and other organisations (NGO/PVO's and government agencies) working in the rural sector. All clients expressed satisfaction with this technical assistance (TA). In several cases the comment was that more time was needed to complete the agreed upon services. As their field contacts grow, BEST must constantly assess whether they can continue to provide quality services without overextending their capabilities.
2. BEST performs better when the cooperative and other rural groups are better structured and able to meet the requirements of the assistance. Generally, the technical assistance of BEST is effective only if particular conditions are in place. Their TA to the Banana Cooperative in Big Creek is a case in point. An accounting system was put into place for management information. However, due to internal management problems, the system was never fully implemented and updated. The relevant committee members as well as the office staff did not place enough importance on the need to maintain current accounts and effectively use the management information system. The management committee failed to make adequate provisions for maintaining responsible individuals in decision-making and supervisory positions.

The papaya marketing venture is another example. BEST should not have ventured into a very risky, technical specialty where all the organisational and production demands could not be met - particularly when other organisations were in place to deal with that specialty. The need for greater collaboration between specialised organisations to ensure better coverage in addressing particular constraints is further emphasised in such circumstances. For new crop development, a comprehensive understanding of the potential market is necessary. In these enterprises, the importance of production/marketing linkages should be clearly understood and addressed.

3. BEST works more effectively when they have a long term commitment with the client. - Financial planning and other management elements require constant supervision to ensure that adequate follow-up practices are being implemented. This is particularly true in the initial stages of the project activity.
4. The staff turnover at BEST does affect the continuity and efficiency of the technical services offered to the client groups. The major benefit from BEST assistance is to enable clientele to develop their in-house capability to manage their enterprises efficiently and profitably. This necessitates that BEST spend long periods in training the groups to eventual managerial self-sufficiency. Subsistence rural people with limited educational tools and economic options tend to need consistency in the agreed upon training programmes. When BEST changes personnel, it disrupts the schedule. The next person coming in may have different teaching techniques, different areas of emphasis and priorities. This causes learning processes to be even more difficult, more confusing and longer in duration.
5. The availability and/or access to credit by the client groups does not appear to be a significant issue. BEST has assisted several groups to obtain loans. While many groups would like BEST to open a window of credit within its operations, BEST serves only as a credit facilitator. This is done in several ways: (1) assistance in preparing project proposals, (2) providing contact sources for potential financing and (3) providing recommendations on the producer group to a financing institute. It appears that the groups who have or are about to receive loans through BEST assistance have paid or will be able to pay back loans in a responsible manner.

6. The team informally reviewed the BEST report on the community bank concept. While this effort is well-intentioned, the local institutions such as BEST are still too new to be taking on such a complex task. It will overextend their capacity. The bank activity is long term and highly intensive in terms of support. Given the limited resources of BEST and the other participating NGO/PVO's, the question is whether they can do justice to the scheme. Organisations in Belize should maintain their efficacy as they develop. This proposed endeavour may be too premature.

While a new banking institution is not considered appropriate, farmer/producer groups could be assisted through the provision of inputs in-kind.

BEST charges a fee for their services based on the client's ability to pay. The purpose for instituting a fee is twofold: (1) BEST adopts the business perception that paying clients will use their services more efficiently and (2) it develops a business orientation when the group has to develop its own agenda for sustainability and not continue to be donor reliant. The fee also partially contributes to BEST operating costs.

BEST fee charges are contrary to popular rural expectations. While professing sympathy for the need to charge for services, most still want the service free. This is exacerbated by the fact that some of the other NGO/PVO's and the GOB do not charge for their services. The perception is that if BEST receives donor funds, they therefore should not charge for their TA. This becomes a manipulative device that works against BEST.

BEST cannot be self-sustaining based on their TA service charges. Recipient groups are relatively limited in numbers. The client groups do not generate large enough volumes of business to pay the commercial rates that the highly trained and skilled personnel of BEST would command in the open market.

8. BEST initiative in sustainable agriculture is commendable. The team feels that the agronomic inputs of BEST should be strengthened. This is particularly important if BEST intends to undertake any work involving the coordination of agricultural production in cooperatives and producer groups for export production. If BEST intends to espouse

principles of sustainable agriculture, then it should have the back-up staff in place to support its high profile in that area. But, the larger concern is that BEST make better use of expertise from other organisations and collaborate more at the field site. This is particularly true in working with BABCO.

Recommendations

1. BEST provides a much needed service to producer groups. Training the groups to develop their management abilities and financial responsibilities positively impacts on the long-term sustainability of the organisation. This work should continue to be supported by USAID (pending the availability of funds). It is recommended, however, that USAID gradually move their assistance from grant support to funding arrangements where BEST contracts specific services. There are a number of AID supported projects that could use BEST resources/expertise. Additionally, BEST TA would cost less than outside consultants.
2. The team does not encourage BEST to become a credit and/or on-lending agency. BEST can act as a facilitator for credit or serve in a supervisory capacity to see that the money is being responsibly used for the specified intended purpose.
3. BEST must focus on improving the continuity of its technical assistance to client groups. This includes:
 - (a) Identify the TA where continuity is particularly critical in the success of the stated intervention. This implies having more sensitivity to the socio-cultural mores of respective clients.
 - (b) Ensure that adequate records are kept of assistance given and/or planned.
 - (c) Where possible, allow overlapping when staff changes occur.
 - (d) Reassess some of the internal factors that may be influencing staff turnover. Salaries generally were not felt by the staff to be a problem. However, certain working conditions and the amenities affecting the physical comfort and well-being of the staff did impact on staff morale. Professional staff require professional working conditions. Specific areas to address are:

- (i) travel arrangements: the amount of time spent on the road decreases productive time in the field with clients. Rather than spend a day travelling in public transportation, it may be more economic to travel by air;
- (ii) accommodation arrangements;
- (iii) distribution of the work load.

Recruiting a local individual from a geographical area and training that person to manage those tasks that require a constant, long-term presence would advice the burden on the shoulders of the high level professionals.

4. BEST should charge a fee for services. However, fee charges should be structured to client's ability to pay. This includes classifying potential client groups into levels of development/viability and determining what key indicators will be used to assess charges. Where BEST assistance is long-term, charges should be periodically reviewed - particularly when the ability to pay improves.
5. BEST effectiveness in the field is attributable to their specialisation and corresponding cadre of highly competent professionals in specific areas of administration, financial management and accounting. In its future development and role, BEST must determine the limits of its capability in addressing the range of constraints that are evident with the client groups. While the temptation is to try to address all problems facing the target groups, BEST effectiveness will diminish if its limited resources are spread too thinly. The team recommends:
 - (a) BEST should not venture into new areas of TA unless it has credible competence to support the initiatives.
 - (b) The sequencing of assistance to the group is as important as the quality of the TA in determining the magnitude of the benefits enjoyed.
6. While the team did not note any inconsistencies in the TA with other outreach agencies, BEST should ensure that the technical assistance maintains consistency with other programmes. This is particularly true in recommendations on agronomic practices.

6.0 BEST: INTER-INSTITUTIONAL/ORGANISATIONAL RELATIONSHIPS

The team observed a number of the BEST field operations. It was important to understand how the BEST participatory methodology works within a relatively wide range of client socio-cultural and economic environments. Just as important was gaining a better perception of the achievements of BEST and the other change agents in helping rural organisations in Belize.

Observations

1. The Other NGO/PVO's

In the last few years, a number of NGO/PVO's financed from external sources are making their presence known in Belize (this include Peace Corps Volunteers and Volunteers in Service Overseas). Serving the same target groups with differing agendas is creating some problems. BEST, among others, recognises the pitfalls and has made an effort to move the Association of National Development Agencies (ANDA) which represents a number of NGO/PVO's into an active force that can resolve problems and facilitate the participants in developing better mutually reinforcing and complementary programmes for their respective rural clients. The BEST and Belize Rural Women's Association working relationship is promising and a step in the right direction.

2. BABCO/BEIPU

These two organisations are at the foreground of promoting sustainable agricultural diversification programmes in Belize. Success is heavily dependent on how well small farmers are helped. BEST has complementary skills to render competent expertise in administrative and financial management to those client groups involved in diversification. Based on earlier work with papaya cooperatives, BEST is cognisant of the basic tenet that their inputs to production cooperatives will not be effective until the marketing linkages are in place.

3. The Public Sector

Relationships between the Department of Cooperatives, other NGO/PVO's and BEST are many times not very well defined.

BEST is apolitical. Turf issues between the groups are sometimes evident, particularly with the Department of Cooperatives. One problem seems to be that the NGO/PVO groups do not receive or use government funds so they feel little need to communicate. Conversely, government entities do not particularly like donor supported organisations working independent of government counsel. Periodic planning sessions where all get together would do much to alleviate the problem. When this has been done, the friction and misinformation problems have been reduced.

The GOB has limited manpower, funds and other facilities for a comprehensive outreach into the rural sector. Most interviewed preferred BEST business approach in providing TA in a timely manner as compared to government.

4. The Credit Institutions

BEST, as previously mentioned, also assists clients by facilitating their access to credit. BEST has worked with the National Development Foundation of Belize (NDFB) and the Ecumenical Cooperative Development Society (ECDS). The latter is a European based agency offering soft loans to cooperative groups. As a change agent, BEST assists cooperatives and other groups to strengthen their financial control and management. These latter areas are good reference points for credit/financing agencies to assess the credit-worthiness of the target groups. BEST has been helpful to the credit agencies as a screening agent for loan recipients. They can also act as a monitor in the use of loan funds.

5. The Toledo Agricultural Marketing Project

The contract signed in early 1989 between BEST and VITA to facilitate the overall management capabilities of the three multi-service centers in Toledo was ideally suited to BEST capabilities. Unfortunately, due to a series of operational problems in the contract a decision was made to terminate the agreement. All institutions have growing pains in defining their own capabilities and parameters in rendering services. BEST was probably the most qualified agency to do the task. However, it is clear they had overextended themselves. Too long a time elapsed before the full impact of the problem was known to potential intervenors, and where legitimate corrections could have been made. While it has been a costly but good learning experience for BEST, it should not be repeated.

6. The Environmental Community

Numerous PVO's and other groups are working in Belize addressing concerns in natural resource management and protection. The diversity and abundance of Belizean coastal and inland natural resources have prompted a wide range of development activities - many of which will affect the lives of the rural people. BEST has been quite articulate in expressing environmental concerns in their newsletters and internal communications. While few operational contacts have been made between BEST and environmentalists, it is felt that some mutually acceptable activities can take place. This is particularly true in those local cooperatives/producer groups that are involved in new crop development, forestry and fishery programmes. They will require similar mechanisms to manage themselves as any of the traditional cooperative ventures currently operating in Belize.

Recommendations

1. BEST should continue to reinforce the role of ANDA to reduce implementation problems and overlaps among NGO/PVO's and their constituencies. In our judgement, the relationship between the PVO community and the Department of Cooperatives would be greatly enhanced if government was to assume a regulatory role and let the NGO/PVO's undertake actual field work with producer groups.
2. Initiate and continue a dialogue with BABCO and BEIPU to assure their respective inputs are effectively utilised in promoting agricultural diversification programmes.
3. Strengthen relationships and work in more partnership type arrangements particularly with such credit entities as the NDFB. They have both financial and technical resources that are appropriate to small farmer groups. NDFB is mandated to assist precisely the same client groups as BEST so it is natural the two organizations interlink many of their resources and services. The team believes this to be more logical than trying to pursue programs through DFC.
4. Do not assume additional work if the resources to facilitate the job are not in place. Develop a better antenna in anticipating pitfalls so that the problems are manageable when they do occur.

7.0 WOMEN IN DEVELOPMENT

While this subject was not included in the Statement of Work as a major element for review, some comments are appropriate for this report.

BEST makes a serious commitment to assist women to be an active part of agricultural and rural enterprise development. Several women organisations were visited. The impression is that while visible efforts are being made to address the concerns of women, much still has to be done.

Observations

1. Small scale enterprises by women in tribal and/or subsistence agricultural systems may require, as an essential element, the informal support of local men. The socio-cultural mores of these groups are much too deep rooted to disregard. The men must be included in the acceptance process (if appropriate) to obtain their formal or informal support. Once granted, the next step is to ensure legitimate and popular participation of women in activities to achieve their stated objectives. BEST resources must be properly sequenced for maximum efficiency in a development activity. Understanding and applying the appropriate tools of commonsense and cultural sensitivity will enhance women's activities in these environments.
2. BEST targets assistance to those groups who view income generating activities as a business enterprise. This is commendable. It is imperative that efforts be concentrated on providing quality technical assistance and training which helps to expand and develop the stated enterprises so they do not become dependant on grants or subsidised credit. This applies equally to both women and men organisations. Unfortunately, conflicts arise within the NGO/PVO community where 'free' or practically free aid is channeled to cooperatives and other groups. This is detrimental to the spirit of promoting sustainability, self-reliance and an ensuing pride of ownership within the client groups.
3. In addition to the cottage industry and handicraft trades, agricultural diversification programmes for export markets may offer additional opportunities for women. While women do play a significant role in subsistence operations -

participation in post harvest operations on-farm or at local market processing sites seems eminently suitable for their skills. Expanding production of export commodities such as cacao, banana, citrus and mangoes can provide opportunities for greater participation of women in economic activities. Examples include agricultural input delivery stores, drying and packing sheds, administrative and office support staffs of local processing organisations, production technologists (extension, credit).

Recommendations

1. BEST offers a good combination of services that can impact favorably on women. They should complement these inputs with the marketing organisations who are engaged in new crop development and crop diversification for the commercial market.
2. BEST and the other NGO/PVO's need to make sure that their work in women's groups are mutually reinforcing. BEST and the BRWA should continue to build upon their relationship.
3. When working with women groups, particularly in the subsistence farm environment, BEST should ensure that the appropriate noneconomic factors are adequately addressed such as obtaining male support of the project and verifying attitudes toward women handling cash transactions. It may be appropriate that the BEST team at the outset be a male/female combination when dealing with new or emerging rural women groups. This is probably more important in Toledo.
4. Women organisations must be encouraged to become self-reliant, take pride in ownership and achieve long term sustainability. BEST should continue to look at these rural ventures as business enterprises and make certain these enterprises enhance greater participation of women in the work force. Women's groups should enjoy similar benefits and economic compensations as those of their male counterparts.

SCOPE OF WORK
FOR EVALUATION OF THE
BELIZE ENTERPRISE FOR SUSTAINED TECHNOLOGY
(BEST/505-0008)

BACKGROUND

Belize Enterprise for Sustained Technology (BEST) is a Belizean non-profit private voluntary organization formed for the purpose of:

1. providing an integrated package of management and technical services to local farmer groups involved in agricultural and agro-industrial sectors of the Belize economy;
2. coordinating the physical, human and financial resources that are available to these groups in order to further the development process; and
3. working with local development institutions (both governmental and private) to magnify and extend the impact of the services and resources available for the agricultural and agro-industrial development of Belize,

The most frequent request for assistance received by BEST over the past four years has been for management and accounting training. As a result, BEST has developed a core of professional staff with a distinctively business bias and the capability to provide an integrated package of management and accounting services to farmer groups and other community-based enterprises (CBs). Specific services BEST has provided to its 22 client groups over the four year period include accounting and record keeping, general management, financial management and agricultural practices.

BEST has assisted, to a lesser degree, farmer organizations to diversify into new crops, increase the income of member farmers organizations, or assisted with improving new employment opportunities. These three activities are noted in the Project Grant Agreement as "specific qualitative goals to be achieved with the crops and associations BEST works with."

Most of the groups currently served by BEST are unable to pay the real cost of the services received because of low sales volumes and profit margins. As a result, BEST has requested additional assistance from USAID, for a period of at least four years, to continue providing management and technical assistance to these groups focusing on improving their economic viability. The current Grant Agreement terminates December 30, 1990.

Through the provision of technical and management services, provided by BEST, the enterprises engaged in agricultural and agro-industrial activities will be in a better position to increase the income and economic benefits of the enterprise participants, create job and employment opportunities for both farming and non-farming communities. BEST will assist in improving the basic skills and technological expertise of Belizeans in order to better adopt, absorb and sustain the most modern and appropriate technology available. The enterprise development process will be complemented by assisting governmental, para-statal and private organizations in the efficient provision of services and resources to the enterprise sector.

OBJECTIVE

The objective of the contract is to conduct an evaluation to measure BEST's impact on its client group, cooperatives and associations, and a financial review to assess BEST management control systems. The team will consist of three people: an agriculturalist who will serve as the team leader, an agricultural economist, and a financial specialist. The agriculturalist and the economist will be the same two people who are currently assessing crop diversification in Belize.

SCOPE OF WORK

The scope of work is divided into three categories: financial review, administrative review, and an impact assessment.

Financial Review: The financial review will be conducted by the financial analyst. The scope of work will include:

1. reviewing the accounting system of BEST to determine if funds are used as programmed in the Cooperative Grant Agreement;

2. reviewing the payment processing system to determine if disbursements are adequately controlled and accounted for, and if the system properly identifies expenditures by source of funding;
3. assess the purchasing and contracting policies and procedure to determine if they comply with A.I.D. requirements and provide reasonable competition;
4. assess BEST's internal control system;

Administrative Review: The administrative review will be conducted by the team leader. The scope of work will include the following:

1. determine if BEST staff member's qualifications include those disciplines recommended in the Agreement, including the expatriate marketing expert;
2. a review of the personnel contract structures to determine if salaries are compatible with job descriptions and responsibilities, and if performance criteria and remuneration processes are clearly spelled out;
3. describe the relationship between BEST Board of Directors and the Managing Director, and BEST relationship with its client group.

Impact Study: The team leader and the Agricultural Economist will be responsible for evaluating BEST's impact on its client group. The scope of work addresses the following questions:

1. What are the criteria BEST uses to determine type of assistance a cooperative needs? Is the assistance BEST provides based on a comprehensive diagnostic assessment of the enterprise situation? How reliable are these assessments?
2. Are BEST's clients showing a positive improvement in real terms of gross value of production, net worth, productivity, long-term viability, and growth at significantly improved rate? Are the enterprises performing better financially, more productive, and have higher per capita income than non-assisted organizations facing the same pre-assistance conditions? (The financial analyst will assist in addressing these questions.)

3. Of the on-site visits made by the team, how many of the cooperatives and associations assisted by BEST have functional accounting, cost control and management information systems in place? To what extent is the management unit of these enterprise capable of using these tools to monitor the performance of the enterprise, assess prospective operational changes, and evaluate new and/or expansion opportunities? (The financial analyst will assist in addressing these questions.)
4. Are BEST's clients more credit worthy after receiving assistance from BEST? To what extent has BEST assisted in clients in applying for credit?
5. Do the directors and managers of these cooperatives and associations process and apply modern business management skills to their organizations as a result of BEST's training?
6. Do the management and members of cooperatives and associations assisted by BEST have a thorough knowledge of the socio-economic role of cooperative/associations and can effectively and efficiently carry out their respective responsibilities within the organizations?
7. How many of the enterprises have become self-sustaining as a result of BEST assistance? To what extent are these enterprises diversifying their activities/crops?
8. Are para-statal organizations and credit organizations, such as the Finance Development Corporation (DFC), utilizing services from BEST? If not, why?
9. What is the relationship between BEST and it's client group?
10. What has been the effect of 4 1/2 years of BEST's presence in the Toledo District, particularly, the human resource development, attitudinal changes, and enterprise development?
11. What are the overall short, medium, and long-term effects of BEST on Belize and what is the probability/possibility for sustained impact?

12. What are BEST's major constraints to achieving its goals? What are the factors contributing to the success of particular areas or components of BEST? What are the strengths which BEST possess that can be utilized for further successes?
13. To what extent are BEST's clients in a position to pay for BEST's services?
14. Based on the response to item 12, what is the probability/possibility of BEST becoming self-sustaining?
15. To what extent should BEST be involved in sustainable agriculture, papaya and other fruits/vegetables industry, and Community Banking project for women? How can BEST be strengthened to enhance the role of women in the development of Belize? What other types of activities/projects should get involved with?
16. Shall USAID continue providing assistance to BEST? If so, to what extent.

REPORTING

The team leader will be responsible for ensuring that all of the above is included in the final document.

The team will be required to brief the Mission on the status of the evaluation on or around the tenth day after having started work.

Ten copies of the evaluation will be submitted to USAID prior to the departure of the team leader from Belize. A copy of the document will also be submitted on a 5 1/2 diskette, using a word processing program comparable to IBM.

Work Schedule

The team work schedule will be March 7 - 23, 1990, for a total of 13 work days.

CONTACT LIST

Corozal District

Paulino Alcoser	Chairman	Northern Green Growers Cooperative Society Ltd.
Ramon Chi	Chairman	Federation of Papaya Cooperatives Society Ltd.
Jose Villanueva	Administrator	Corozal CFA

Orange Walk District

Julian Avila	Secretary	Belize Federation of Honey Producers
Eutemio Chi	Chairman	Yo Creek Farmers Group
Members		Yo Creek Women's Group
Pablo Tun	Chairman	Orange Walk CFA
Adelfino Vasquez	Chairman	Beekeepers Association
Ricardo Villanueva	Administrator	Orange Walk CFA

Cayo District

Frank Arana	Project Officer	BRWA
Moises Cal	Administrator	Belize Livestock Improvement Project MAF Representative
Mark Chavarria	Programme Director	BARD
Walter Craig	Programme Director	Help for Progress
Cynthia Ellis	Director	Belize Rural Women's Association
Michele Lindo	Business Analyst	BEST
Hugh McSweeney	Trainee Accountant Deputy Managing Director/Chief Operating Officer	BEST
Carlos Santos	Managing Director	BEST
Staff		BEST

Stann Creek District

Staff and members		Hopkins Farmers
Staff and members		Cooperative Society Ltd.
		Sandy Beach Women's
Thurman Forman	Secretary	Cooperative Society Ltd.
		Belize Banana Growers
Marie Longsworth	Accounting Clerk	Cooperative Society Ltd.
		Belize Banana Growers
Antonio Norales	Accounting Clerk	Cooperative Society Ltd.
		Belize Banana Growers
Earl Perez	Manager	Cooperative Society Ltd.
		Placentia Producers
Suad Rishmawi	Accounting	Cooperative Society Ltd.
	Consultant	Belize Banana Growers
		Cooperative Society Ltd.

Toledo District

Frank Gorrez	Chief of Party	TAMP
Members ;		San Antonio Women's
		Training Group
Harry Parham	Project Director	TSFDP
Patrick Scott	Agronomist	TAMP
Staff and members		Big Falls Farmers
		Cooperative
Staff and members		Southern Beekeepers
		Cooperative
Staff and members		Toledo Cacao Growers
		Association

Belize District

Manuel Cuellar	Managing Director	NDFB
Victor Gonzalez	Executive	Belize Center for
	Director	Environmental Studies
Gilroy Graham	Account Executive	Business Development
		BEIPU
Keith Wright	Registrar of Cooperatives and Credit Unions	

BEST PROJECT SELECTION CRITERIA

1. Legal/Traditional organization form
2. Agricultural base
3. Non-concentrated ownership
4. Expect to impact minimum of 20 families
5. Positive impact on low income and resource defficient groups
6. Project non counter to socio-cultural heritage
7. Organization has capacity to pay something
8. Organization has the desire to use the services
9. There exists some leadership capabilities