

**HIGHLIGHTS
OF THE AFRICA BUREAU ANALYSIS
OF COMPLIANCE WITH
PROJECT AND NON-PROJECT GUIDANCE
UNDER EXISTING
DELEGATIONS OF AUTHORITY**

Final Report

1992

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SECTION ONE

OBJECTIVES AND SCOPE

A. Overview

This Africa Bureau's analysis of compliance with project and program guidance under existing delegations of authority was carried out during 1992 with the assistance of a contractor, Management Systems International (MSI).

B. Study Objectives

The contractor's scope of work, which was enriched through early meetings with key personnel from the Africa Bureau and from the General Counsel's office, called for an examination of three aspects of compliance:

- Mission compliance with existing, written guidance on project and non project design;
- Mission compliance with project and program guidance that stems from PID and PAIP review meetings and is conveyed, for the most part, through ECPR guidance cables, and
- The review processes which Mission utilize as they design and review projects and programs. Of particular interest in this regard was the degree to which individuals with a variety of skills/concerns from different management units within the Agency participated in the project and program design and review process.

The sample of projects and programs which the contractor reviewed was selected by the Africa Bureau. The sample included as many field approved projects and programs from Schedule A and Schedule B missions as possible. Projects and programs approved in Washington were included in the sample for comparative purposes.

Table 1 shows the distribution of the 28 cases that made up the study sample. Table 2 presents a listing of these cases.

C. Study Methodology

In order to gather information across the 28 case sample in a systematic manner that would facilitate comparisons among clusters of project and programs, MSI and the Africa Bureau worked together to design a study instrument. On the project side, this instrument follows closely the outline of A.I.D. Handbook 3. On the program side, it organized information on non-project design from a variety of sources.

The approach used to identify and track compliance with ECPR guidance was linked in the study instrument to compliance with basic guidance by code numbers which identify specific guidance issues and allowed patterns of commentary and response to be aggregated.

While documents were the primary source of information for this analysis, faxes and phone calls were used to supplement documentary information about the processes and procedures missions used to review specific project and program designs.

The study instrument is provided as Annex A. Completed copies of the study instrument for each of the 28 study cases will be included in MSI's final report.

SECTION TWO

STUDY FINDINGS

A. General

In the course of its efforts to score project and program designs developed by the Africa Bureau with respect to their compliance with Agency and Bureau guidance, the assessment team noted several processes which may impede efforts on the part of mission staff to comply with A.I.D. requirements and efforts on the part of Washington staff to monitor Bureau performance in this regard. Key findings in this vein include the following:

- Project and program files in the Africa Bureau's Washington offices and in the missions are often incomplete.
 - Significant time during the compliance assessment was spent on locating copies of project and program documents. This effort included research through CDIE and the use of DHL to courier copies of documents in from missions.
- The assessment team received only a few responses to its request for Mission Orders outlining project and program development processes. USAIDs in the Cameroon, Madagascar, the Gambia and Swaziland sent in their Mission Orders. USAID/Chad sent a letter describing the process it follows. This data, together with indications from discussions with Washington staff suggest that:
 - Missions vary with respect to the existence and clarity of their "mission orders" on the subject of program and project design and review processes and procedures.
- Written guidance on the design requirements for NPAs was, as of the time of this study, extremely difficult to follow.
 - This loose collection of memoranda and cables, which required visits to several offices to pull together, may not have been available as a complete package to those who designed the NPAs examined in this analysis.
- ECPR cables are written in a difficult style. Commentary that often includes instructions is at times followed by sections labeled recommend action which say something different than the commentary. Furthermore, so many instructions are crowded into single paragraphs that it is difficult to parse these documents and enumerate instruction items for monitoring purposes.

B. Compliance with Basic Project and Non-Project Design Guidance

Overall, both Schedule A and Schedule B missions -- and both field and Washington approved projects and programs -- were reasonable good about complying with written guidance.

- Averaged together, the 19 stand alone projects were marked "yes", meaning they responded to A.I.D.'s guidance on a particular issue, to 79% of the 63 guidance items for projects included in Section C of the study instrument.
- With respect to the same questions on which 79% of the stand alone projects had "yes" answers, 68% of the 6 cases where projects were linked to NPA efforts also had "yes" responses.

On the NPA side, responses were tallied separately for 45 financial management questions and for 65 other guidance issues included in Section D of the study instrument. For the larger set of general questions, "yes" answers were counted and averages were calculated, as was the case for project guidance. For financial management questions for NPA's, on the other hand, a count was made of answers other than "no". The difference here has to do with the fact that for a number of NPAs whole sets of questions were irrelevant once an initial question in part of the financial management series was marked "not applicable". The results in terms of the responsiveness of NPA efforts to guidance are summarized below:

- Averaged together, the 9 NPAs included in the sample had "yes" answers to 73% of the items in Section D of the study instrument (excluding questions about financial management, i.e., part "k").
- Averaged together, these same 9 NPAs had answers other than "no", i.e., "yes" or "not applicable", to 61% of the financial management issues for NPAs covered in the study instrument.

In order to develop a broad view of the degree to which different types of missions, as well as different types of project and programs, complied with basic A.I.D. and Africa Bureau guidance on project and non-project design, MSI constructed "index numbers" using completed

study instruments for the 28 cases examined.¹ Index numbers were created by counting up all of the "yes" answers, as above, for a subset of interest and then dividing them by the number of cases in a subset. Higher index numbers indicate a lower level of compliance with A.I.D. guidance than do low index numbers.

Table 3 shows the index numbers for stand-alone projects and for programs that have significant project components. These groups are further segmented by size of mission and by whether they were approved in the mission or by AID/Washington. Projects that were elements of NPA programs scored less well on compliance than did stand-alone projects, according to the index number measure.

Tables 4 and 5 present a more detailed view of the assessment's findings with respect to specific aspects of A.I.D.'s project design guidance. Table 4 reports on the 19 stand-alone projects in the sample. Table 5 reports on the 6 programs that had significant project components. As these tables suggest:

- With rare exception, missions did not comply with A.I.D.'s guidance with respect to the length of either the text or annexes of their PPs. All of these documents go well beyond their prescribed length.
- A.I.D.'s requirement for an energy analysis and annex in projects is not taken seriously in the Africa Bureau. A very low compliance rating was noted.
- Recent, Africa specific guidance on the use of "people-level" indicators and actions that guard against projects having negative impacts on vulnerable groups received relatively low compliance ratings.

¹ Index numbers were constructed as follows:

PROJECT INDEX NUMBERS

Index numbers for projects were constructed by counting all answers other than "Yes" to 63 questions on project design in Section C of the study instrument and dividing by the number of cases in a subset of interest. The higher the index number, the more frequently projects were scored as having not included information required by the guidance, or as being a type of project for which a particular item of the guidance was not applicable.

PROGRAM INDEX NUMBERS

Index numbers for programs were constructed by counting all answers other than "Yes" to 65 questions on non-project design in Section D of the study instrument, with the exception of those questions in part "k" of that instrument. The questions in part "K", which deal with financial management, deal with conditional issues (e.g., if there is local currency involved), and contain several chains of responses (all "yes", "no" or "n.a.") which would not have worked well as an element of this index number system. By deleting part "K", the total number of questions included in the "index" for programs came out roughly comparable to the number of questions used to construct the "index" for projects. A separate index number was, however, generated for this "K" series of financial management issues using a count of answers other than "no", a technique which eliminates the problems caused by chains of issues that are not applicable to certain cases.

-- This may be a function of their recency, and the fact that they are not included in Handbook 3.

■ Relatively low compliance ratings were also noted for:

-- Cost/benefit analysis and IRRs.

-- Evaluation baseline data and efforts to identify and measure the "spread effects" (diffusion) from projects.

-- Analysis of staffing within implementing institutions

Table 6 presents the basic index numbers for clusters of NPAs, i.e., the index number which focuses on all NPA guidance issues except those pertaining to financial management. Cell sizes are small, but what this table seems to suggest is that there is little difference between Schedule A and B missions or between Washington and field approved programs with respect to compliance with basic A.I.D. non-project guidance.

Table 7 presents a more detailed view of the compliance of the 9 NPA efforts included in the sample. This chart covers 110 NPA guidance items included in the study instrument, including 45 financial management items. As this analysis of NPAs suggested:

■ Only once did an NPA justify its choice of a cash transfer versus a CIP.

■ NPAs scored relatively low on compliances with guidance requirements dealing with the identification of beneficiaries and how they will benefit from programs. Included in this set of questions were those which focus on the protection of vulnerable groups and on gender considerations.

■ NPA's rarely examined the sustainability questions.

■ Relatively low compliance scores were noted on the financial analysis side with respect to an analysis of the foreign exchange situations in countries and measures to hinder capital flight.

■ Cost/benefit analysis and IRRs received relatively low ratings with respect to compliance with non-project assistance guidance, just as they did on the project side.

■ NPA's were generally only marginally responsive to guidance concerning the establishment of audit mechanisms and procedures.

■ Another area where programs were scored relatively low was on the degree to which they articulated the relationship between a specific program and:

-- A Mission's overall strategy, or

-- The frameworks and programs of the IMF and the IBRD.

- The assessment of the political feasibility of NPAs was another area where a relatively low rating was observed.

Table 8 presents index number information for the financial management section of the NPA version of the study instrument. In this analysis, answers other than "no" were counted rather than "yes" answers, to accommodate the high frequency with which some subsets within this group of guidance issues were not relevant for several of the NPA cases. The small number of cases in this table make its interpretation or comparison to Table 6 difficult. Table 9 provides a more detailed view of the frequency with which various answers were given on issues in this section of the study instrument.

Table 10 presents index numbers calculated for project guidance compliance as well as program guidance compliance on a geographic basis. Table 11 presents index numbers on a topical programming basis. While cell sizes are small, this table appears suggests relatively good compliance with basic design guidance for projects in the health and population.

C. Compliance with ECPR Guidance

Compliance with ECPR guidance, on an overall basis, was roughly equivalent to the level of compliance observed with respect to basic A.I.D. design guidance.

- Averaged together, the 19 stand alone projects complied with or otherwise addressed 71% of the detailed recommendations and requests provided in ECPR cables.
- On these same issues, the six programs with significant project components had 100% compliance ratings with respect to recommendations in ECPR cables about the project aspect of these programs.
- Averaged together, the 9 NPAs included in the sample complied with or otherwise addressed 80% of the detailed recommendations and requests provided in ECPR cables.

Table 12 presents the ECPR compliance averages for project clusters from Schedule A and Schedule B mission. Small sample sizes again make interpretation of the data difficult, but what this table would appear to suggest is that there is little difference between Schedule A and B missions with respect to ECPR compliance for field approved projects. Conversely, the table suggests that there may be a greater tendency to comply with ECPR guidance when projects are to be approved in Washington. The sample sizes do not, however, allow for strong statements in this regard.

Tables 13 and 14 provide a more detailed view of this information. They summarize the frequency with which ECPR recommendations focused on specific aspects of project guidance.

The table also notes the frequency with which ECPR recommendations in specific guidance areas were followed. Table 13 focuses on stand-alone projects while Table 14 examines those projects which were components of larger NPA efforts. As these tables suggest:

- Project input and procurement issues are the most frequent topics of ECPR guidance. While compliance appears to be high with respect to procurement issues, it is relatively low with respect to the project input issues that are raised.
- Gender considerations are another frequent inclusion in ECPR instructions, and compliance with them is also relatively low.
- Other relatively frequent topics of ECPR guidance included:
 - The rationale for projects within the context of a CDSS and the government's plans and programs;
 - Project objectives;
 - The role of other donors;
 - Monitoring plans, and
 - Long term/sustainable project financing.

With the exception of monitoring, compliance with instructions in these areas was relatively weak.

Table 15 is designed to give the Africa Bureau a better idea of the kinds of ECPR guidance it gives out frequently. This table paraphrases what ECPR cables had to say about the need to improve project designs. Some issues, such as the need to talk about a host country contribution or other donor involvement appear so frequently that a review of this table may suggest to the Bureau issues which it wants to raise in a cable to all missions.

Table 16 displays ECPR compliance for NPAs. Here too the data seem to suggest that greater compliance is associated with the Washington approval of programs. However, with only 9 cases in the sample and only one case in several cells, additional, independent information would be needed to confirm this finding or give it any significant management weight.

Table 17 presents a more detailed review of issue by issue compliance with NPA guidance. As this table indicates, ECPR instructions concentrated in a number of areas, including:

- The relationship to other donor programs;
- Key constraints to be addressed by proposed programs;

- The policy outputs of programs;
- Measures to alleviate any negative impacts on vulnerable groups;
- The commitment of host government's to reform programs, and
- Impact assessments for programs, focusing on people-level impact.

In all of these areas, compliance with ECPR guidance was relatively strong.

Table 18, like the table prepared for projects, paraphrases the ECPR guidance cable language and suggests issues on which a general cable to the field might help to ensure still more consistent NPA compliance.

Table 19 displays ECPR compliance on a geographic basis, but the table suggests few conclusions based on regions within the Bureaus. Table 20, which presents ECPR compliance data on a topical programming basis seems to suggest that education and private sector programs are more likely to comply with ECPR guidance than are agriculture or health programs and projects. This finding, however, may be influenced by the degree to which Washington approval was a factor in the equation, e.g., 2 of the 3 education projects in the set were approved in Washington. Of the two explanations, it is more likely that Washington approval is causal.

As a final note on compliance with basic and ECPR guidance, the assessment team noted that some guidance areas on which missions repeatedly turn in a poor performance were rarely discussed in ECPR guidance cables. For example:

- ECPR cables never commented on the absence of energy analyses in projects, nor did they stress the importance of short documents that meet A.I.D.'s PP and PAAD guidelines with respect to page limits.

If such requirements are not serious, they should be eliminate from any future compliance assessment instrument the Bureau uses to track its performance.

D. Program and Project Review Procedures

Using documents and faxes, the assessment team spent a limited amount of time attempting to gather information about the processes missions and AID/W use to review the projects and programs they approve.

Table 21 presents the results of that investigation. On an overall basis what this table suggests is that little effort has been made to incorporate process descriptions in project and NPA design packages. Information which was conventionally a part of a PP or PAAD, or in an ECPR cable, was easy to access. Answers to all other process questions on the study form were difficult to find. For this reason, it is difficult to interpret Table 21. A low percentage in the far right hand column does not mean that a process step was skipped, it simply means that the information needed to determine whether a process occurred is not available.

SECTION THREE

CONCLUSIONS AND RECOMMENDATIONS

While there are a few areas of obvious deficiency, the overall measures of compliance developed and used in this study indicate that:

- Missions make a serious attempt to comply with basic guidance and ECPR instructions, irrespective of whether projects and programs are approved in Washington or the field and irrespective of whether those missions are part of the Schedule A or Schedule B cluster.
- Improvements can be made on the overall compliance ratings for projects and programs, on both basic and ECPR guidance, but wholesale changes in the Africa Bureau's procedures are probably not the way to achieve this end. An incremental approach seems to be in order, and might include:
 - Issuing better NPA guidance and issuing formal supplementary guidance to Handbook 3 for the Africa Bureau that highlights Africa specific requirements, such as the identification of people-level indicators of impact.
 - Developing and issuing guidance on appropriate project and program review processes, including sample "mission orders" for Schedule A and B missions.
 - Establishing an more "on-going" system for monitoring the degree to which missions comply with basic and ECPR guidance. Frequent spot checks on compliance will allow the Africa Bureau to give missions "real time" feedback on how they are doing in this regard.

Table 1: Study Sample for the Africa Bureau's Guidance Compliance Review (N=28)

	Schedule A Missions		Schedule B Missions		Total of All Cases
	Approved in the Field	Approved in Washington	Approved in the Field	Approved in Washington	
Stand Alone Projects (N=19)	12	1	6		19
NPA/Programs ^{1/} (N=9)	5	1		3	9
Total of All Cases	17	2	6	3	28

¹ Seven of the nine NPA programs shown here have project elements. Two Schedule A mission projects, one approved in the field and one approved in Washington, do not have project elements.

Table 2**Africa Bureau Compliance Review****Listing of Selected Projects and Programs**

<u>Country and Project/ Program Title</u>	<u>Project (P) NPA or NPAP</u>	<u>Agency NED/PA or Field</u>	<u>Mission/Bureau Indicators Mission Schedule (A or B)</u>	<u>A.I.D. Office</u>
Botswana Private Enterprise Development Project	P	Field		SA
Benin Children's Learning & Equity Foundations Project	NPAP	AID/W	B	CCWA
Burkina Fasso Family Health & Health Financing	P	Field	B	SWA
Burundi Population Project	P	Field	B	EA
Cameroon Agricultural Education II Project	P	Field	A	CCWA
Cape Verde Watershed and Applied Research Development Project	P	Field	B	SWA
Chad Agricultural Marketing and Technology Project	P	Field	A	SWA
Cote d'Ivoire Family Planning and Health Project	P	Field	A	CCWA
Gambia Financial Sector Restructuring Program	NPAP	AID/W	B	SWA

<u>Country and Project/ Program Title</u>	<u>Project (P), NPA or NPA/P</u>	<u>Approved in AID/W or Field</u>	<u>Mission/Bureau Indicators Mission Schedule (A or B)</u>	<u>A.I.D. Office</u>
Guinea Rural Roads Project	P	AID/W	A	CCWA
Guinea-Bissau Agriculture Sector Assistance Program	NPA/P	AID/W	B	SWA
Kenya Export Development Support Project	P	Field	A	EA
Lesotho Primary Education Program	NPA/P	Field	A	SA
Madagascar Sustainable Approaches to Viable Environmental Mgmt.	P	Field	B	EA
Malawi Agriculture Sector Assistance Program	NPA/P	Field	A	SA
Mali Policy Reform for Economic Development Program	NPA/P	Field	A	SWA
Mozambique Health Sector Assistance Project	P	Field	A	SA
Rwanda Product and Market Reform Program	NPA	AID/W	A	EA
SARP Regional Transport Development II	P	Field	A	SA
Senegal Natural Resources- based Agricultural Research Project	P	Field	A	SWA
South Africa Support to Tertiary Education Project	P	Field	A	SA

<u>Country and Project/ Program Title</u>	<u>Project (P), NPA or NPA/P</u>	<u>Approved in AID, by or</u>	<u>Mission/Bureau Indicators Mission Schedule (A or B)</u>	<u>A.I.D. Office</u>
Swaziland Small Business Development Project	P		A	SA
Togo Child Survival and Population Project	P	Field	B	CCWA
Togo Rural Institutions and Private Sector Support Project	P	Field	B	CCWA
Uganda Action Program for the Environment	NPA/P	Field	A	EA
Zaire Applied Agricultural Research and Outreach Project	P	Field	A	CCWA
Zimbabwe Grain Marketing Reform Support Program	NPA	Field	A	SA
Zimbabwe Family Planning Project	P	Field	A	SA

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Table 3: Index of Non-Compliance With Basic Project Guidance^{1/} (N=25)^{2/}

	Schedule A Missions		Schedule B Missions	
	Field Approved	Approved in Washington	Field Approved	Approved in Washington
Stand Alone Projects (N=19)	14.5 (N=12)	11.0 (N=1)	10.3 (N=6)	
Programs That Have Significant Project Components (N=6)	18.5 (N=4)			23.5 (N=2)

¹ The average number of times a code other than "Yes" was given when projects were scored using the Study Instrument.

² Three cases are excluded for this table, specifically, these are programs that had no project component, or only a very small project component.

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Table 4
 Frequency With Which Stand-alone Project (N=19) Were Coded "Yes"
 on Compliance with Basic Project Guidance

ITEM	NUMBER OF PROJECTS CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
1. Project Paper (PP) [Body of the PP, excluding annexes, should not exceed 50 pages]	1	5%
a. PP Facesheet (Project Data Sheet)	19	100%
b. Authorization Materials		
1) Action Memorandum	18	95%
a) Waivers, if applicable	13	68%
b) Justification to Congress (appropriate reference to Congressional Presentation or date of other Congressional Notification)	19	100%
c) Clearances Obtained (List all noted and all visible on Action Memorandum, Project Authorization document, etc.)	16	84%
2) Project Authorization		
a) Fiscal Considerations--plan for disbursement in increments, subject to the availability of funds	19	100%
b) Delayed obligations-- expectations about any substantive matters to be addressed before initial or incremental disbursements	16	84%
c) Life of project--expected duration from signature date to end of project	19	100%
d) Project Description-- consistent with the PP (Consistent Purpose Statement is adequate.)	19	100%
e) Conditions and Covenants-- -consistent with the PP	13	68%

ITEM	NUMBER OF PROJECTS CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
c. Project Rationale and Description		
1) Rationale in context of CDSS and recipients own plans. ¹	19	100%
2) Discussion of Project Objectives (Goal, Purpose and Outputs)	19	100%
3) Project Elements		
a) Inputs	19	100%
b) Project sites or units	16	84%
c) Project participants and responsibilities for project execution	19	100%
d) Project beneficiaries--how they participate and benefit	17	89%
e) Participant Training Plan, if applicable	13	68%
4) Role of Other Donors and/or relationships to other donor activities	18	95%
d. Cost Estimate and Financial Plan		
1) Narrative explanation of cost estimate	17	89%
2) Table or chart that summarizes planned expenditures by year	18	95%
3) Table or chart that shows project elements or outputs on which funds will be spent	19	100%
4) Table or narrative that shows host country contributions	18	95%
5) Table or chart (in PP or in annex) showing methods of payment to be used (e.g., direct payment, bank letters of commitment, Federal Reserve letters of credit, etc.)	16	84%

¹ Note that Handbook III does not specifically call for a description of the problem the project will address in this PP section.

ITEM	NUMBER OF PROJECTS CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
e. Implementation Plan		
1) Narrative description	19	100%
a) Description of the responsibilities to be assumed by the B/G	16	84%
2) Time-phased schedules, (bar charts, etc.)	19	100%
3) Procurement plan (types of goods and services, probable sources)	19	100%
f. Monitoring Plan	19	100%
g. Summaries of Analyses (covering all analyses actually included in the PP)	17	89%
h. Conditions and Covenants		
(1) Conditions (One time actions to be taken by the B/G, including "conditions precedent", i.e., those actions to be taken before A.I.D.'s monies are disbursed)	17	89%
(2) Covenants (Actions to be taken by the B/G that are continuous in nature and which may not be directly related to project activity)	18	95%
i. Evaluation Arrangements		
1) Includes or calls for baseline as well as follow-up data collection	14	74%
2) Here or elsewhere in the PP, people-level indicators are identified above the Output level.	11	58%
j. Annexes [Annexes to the PP should not exceed 70 pages]	1	5%
1) PID Approval Message	19	100%
2) Logical Framework Matrix	19	100%
3) B/G Request for Assistance	16	84%
4) FAA, Section 611 Certifications, if applicable		

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ITEM	NUMBER OF PROJECTS CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
(a) Does this project include physical facilities valued at \$1 million or more?	2	11%
b) If Yes, a 611(e) Certification that a country will effectively utilize and maintain the results of capital assistance projects is included	2	11%
5) Project Analyses		
a) Technical	19	100%
b) Financial	13	68%
i. Project budget covering the project period (LOP).	18	95%
ii. Long-term Financial Plan, covering financial sustainability and means for covering recurrent costs after A.I.D.'s financial participation ends.) analysis of future sources of funds, including earned revenues, if applicable	11	58%
c) Economic	16	84%
i. Cost/benefit analysis described	11	58%
ii. IRR calculated and shown	7	37%
d) Social Soundness	18	95%
i. Sociocultural feasibility--can project be carried out as planned in this setting	15	79%
ii. Spread effects -- if innovations are included, how will diffusion beyond the project population occur	14	74%

ITEM	NUMBER OF PROJECTS CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
iii. Social consequences and benefit incidence -- probable impacts of projects on society and on particular subgroups.	16	84%
iv. Discussion regarding minimizing negative impacts on vulnerable groups.	7	37%
e) Administrative/Institutional	18	95%
i. Organization--its type, status (legal and financial) etc.	18	95%
ii. Management--its authority/scope and experience	15	79%
iii. Staff--adequacy, qualifications and turnover	14	74%
f) Environmental (Analysis) or Facesheet from IEE	19	100%
g) Energy	1	5%
h) Women in Development (separate or as part of the Social Soundness Analysis)	18	95%
6) Statutory Checklist		
a) Country Checklist		
i. Is a country checklist included	16	84%
ii. If no, is reference made to a previously submitted country checklist.	3	16%
b) Assistance/Standard Item Checklist	19	100%

Table 5
 Frequency With Which Programs with Project Components (N=6) Were Coded "Yes"
 on Compliance with Basic Project Guidance²

ITEM	NUMBER OF PROJECTS CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
1. Project Paper (PP) [Body of the PP, excluding annexes, should not exceed 50 pages]	0	0%
a. PP Facesheet (Project Data Sheet)	6	100%
b. Authorization Materials		
1) Action Memorandum	6	100%
a) Waivers, if applicable	4	67%
b) Justification to Congress (appropriate reference to Congressional Presentation or date of other Congressional Notification)	6	100%
c) Clearances Obtained (List all noted and all visible on Action Memorandum, Project Authorization document, etc.)	6	100%
2) Project Authorization		
a) Fiscal Considerations--plan for disbursement in increments, subject to the availability of funds	6	100%
b) Delayed obligations-- expectations about any substantive matters to be addressed before initial or incremental disbursements	5	83%
c) Life of project--expected duration from signature date to end of project	6	100%

² Project information was recorded for all but one program that had a project component. One project, a Schedule B, Washington approved NPA project component valued at less than \$1 million was not included in the analysis of compliance with basic project guidance. Two other programs in the sample had no project component.

ITEM	NUMBER OF PROJECTS CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
d) Project Description--consistent with the PP (Consistent Purpose Statement is adequate.)	5	83%
e) Conditions and Covenants--consistent with the PP	0	0%
c. Project Rationale and Description		
1) Rationale in context of CDSS and recipients own plans. ³	5	83%
2) Discussion of Project Objectives (Goal, Purpose and Outputs)	6	100%
3) Project Elements		
a) Inputs	6	100%
b) Project sites or units	5	83%
c) Project participants and responsibilities for project execution	5	83%
d) Project beneficiaries--how they participate and benefit	3	50%
e) Participant Training Plan, if applicable	2	33%
4) Role of Other Donors and/or relationships to other donor activities	6	100%
d. Cost Estimate and Financial Plan		
1) Narrative explanation of cost estimate	4	67%
2) Table or chart that summarizes planned expenditures by year	5	83%
3) Table or chart that shows project elements or outputs on which funds will be spent	4	67%
4) Table or narrative that shows host country contributions	5	83%

³ Note that Handbook III does not specifically call for a description of the problem the project will address in this PP section.

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ITEM	NUMBER OF PROJECTS CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
5) Table or chart (in PP or in annex) showing methods of payment to be used (e.g., direct payment, bank letters of commitment, Federal Reserve letters of credit, etc.)	6	100%
e. Implementation Plan		
1) Narrative description	6	100%
a) Description of the responsibilities to be assumed by the B/G	5	83%
2) Time-phased schedules, (bar charts, etc.)	4	67%
3) Procurement plan (types of goods and services, probable sources)	5	83%
f. Monitoring Plan	6	100%
g. Summaries of Analyses (covering all analyses actually included in the PP)	5	83%
h. Conditions and Covenants		
(1) Conditions (One time actions to be taken by the B/G, including "conditions precedent", i.e., those actions to be taken before A.I.D.'s monies are disbursed)	3	50%
(2) Covenants (Actions to be taken by the B/G that are continuous in nature and which may not be directly related to project activity)	3	50%
i. Evaluation Arrangements		
1) Includes or calls for baseline as well as follow-up data collection	5	83%
2) Here or elsewhere in the PP, people-level indicators are identified above the Output level.	5	83%
j. Annexes [Annexes to the PP should not exceed 70 pages]	0	0%
1) PID Approval Message	5	83%

ITEM	NUMBER OF PROJECTS CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
2) Logical Framework Matrix	6	100%
3) B/G Request for Assistance	1	17%
4) FAA, Section 611 Certifications, if applicable		
[a] Does this project include physical facilities valued at \$1 million or more?	0	0%
b) If Yes, a 611(e) Certification that a country will effectively utilize and maintain the results of capital assistance projects is included	0	0%
5) Project Analyses		
a) Technical	4	67%
b) Financial	3	50%
i. Project budget covering the project period (LOP).	3	50%
ii. Long-term Financial Plan, covering financial sustainability and means for covering recurrent costs after A.I.D.'s financial participation ends.) analysis of future sources of funds, including earned revenues, if applicable	1	17%
c) Economic	3	50%
i. Cost/benefit analysis described	4	67%
ii. IRR calculated and shown	3	50%
d) Social Soundness	2	33%
i. Sociocultural feasibility--can project be carried out as planned in this setting	4	67%

ITEM	NUMBER OF PROJECTS CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
ii. Spread effects -- if innovations are included, how will diffusion beyond the project population occur	3	50%
iii. Social consequences and benefit incidence -- probable impacts of projects on society and on particular subgroups.	4	67%
iv. Discussion regarding minimizing negative impacts on vulnerable groups.	3	50%
e) Administrative/Institutional	3	50%
i. Organization--its type, status (legal and financial) etc.	4	67%
ii. Management--its authority/scope and experience	5	83%
iii. Staff--adequacy, qualifications and turnover	3	50%
f) Environmental (Analysis) or Facesheet from IEE	6	100%
g) Energy	0	0%
h) Women in Development (separate or as part of the Social Soundness Analysis)	4	67%
6) Statutory Checklist		
a) Country Checklist		
i. Is a country checklist included	4	67%
ii. If no, is reference made to a previously submitted country checklist.	2	33%
b) Assistance/Standard Item Checklist	5	83%

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Table 6: Index of Non-Compliance With Basic NPA Guidance^{1/} (N=9)^{2/}

	Schedule A Missions		Schedule B Missions	
	Field Approved	Approved in Washington	Field Approved	Approved in Washington
Programs With Significant Project Components (N=6)	19.7 (N=4)			20.0 (N=2)
Programs Without Project Components or With Very Small Project Components (N=3)	15.0 (N=1)	16.0 (N=1)		21.0 (N=1)

¹ The average number of times a code other than "Yes" was given on 65 questions in sections other than "K" when NPAs were scored using the study instrument. The average of NPAs excludes responses on "K", the financial management segment of the program review instrument, as many items therein are dependent on one or two conditions pertaining, e.g., local currency is involved.

² This table excludes 19 stand-alone projects.

Table 7
 Frequency With Which NPAs (N=9) Were Coded "Yes"
 on Compliance with Basic NPA Guidance¹

ITEM	NUMBER OF NPAs CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
2. Program Assistance Approval Document (PAADs)		
a. PAAD face sheet	9	100%
b. Action Memorandum for the Mission Director	9	100%
c. Executive Summary and Recommendations		
1) Sector summary, including problems to be addressed	7	78%
2) Dollar amount of program	9	100%
3) Program objectives	9	100%
4) Policy reforms expected	8	89%
5) Relationship to World Bank or other policy-related programs	6	67%
6) Period of implementation	7	78%
7) Linkage to beneficiaries - groups to benefit from program	4	44%
8) Program mechanism identified (Check: ___ CIP or ___ Cash Transfer)	7	78%
9) Conditions for disbursement	7	78%
d. Macroeconomic Framework:		
1) Balance of payments analysis	7	78%
2) Fiscal analysis	8	89%
3) Discussion of linkages between macro policies/problems and sector policies/problems	8	89%
4) Discussion of IMF/Bank-linked Policy Framework Paper	5	56%
e. Sectoral Framework, to include:		
1) Description of the sector:	9	100%

¹ This listing of items varies slightly from the listing provided in the original study instrument (Annex A), in response to post-analysis recategorization of a few items.

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ITEM	NUMBER OF NPAs CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
a) Prospects, problems and importance of the sector to growth and development	9	100%
b) Discussion of major policies affecting the sector; i.e. those which are good and those that need to be changed	9	100%
2) Role of the sector in the development of country and USAID assistance strategy	8	89%
3) A discussion of specific sectoral problems and constraints	9	100%
4) A prioritized listing of constraints in the program sector, identifying those most important to attack	1	11%
f. Other Donor Assistance:		
1) Discussion of other donor activities in the area	8	89%
2) For countries eligible for linkage with World Bank's Special Program of Assistance (Burundi, Central African Republic, Gambia, Ghana, Guinea-Bissau, Madagascar, Malawi, Mauritania, Mozambique, Niger, Sao Tome & Principe, Senegal, Tanzania, Togo, Uganda and Zaire): Has linkage been indicated and the nature of the linkage (co-financing, parallel financing or coordinated financing) been described?	1	11%
g. Program Description:		
1) Program rationale and major problems:		
a) Description of key sectoral constraints to be addressed by the program	7	78%
b) Discussion of the relationship of the program to the country's overall development effort	7	78%
c) Discussion of the relationship of the program to the mission's overall development program	6	67%

ITEM	NUMBER OF NPAs CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
2) Purpose: Describe what is to be achieved at the end of the program, in terms of:		
a) policy outputs	9	100%
b) development impact	8	89%
h. Feasibility Analysis:		
1) Institutional Analysis:		
a) Discussion of institutions selected for implementing the program, including an analysis of their capabilities	8	89%
b) Discussion of the training or TA required to enhance the institutions' management and analytical capability	4	44%
2) Social Analysis		
a) Identification and description of the groups to be affected by the program (<u>who</u> will be affected)	7	78%
b) Analysis of the impact on different economic groups (<u>how</u> will they be affected)	5	56%
c) Discussion of measures to alleviate the adverse impact on vulnerable groups	6	67%
d) PAAD addresses gender/women in development issues	6	67%
3) Economic Analysis:		
a) discussion is provided on whether the program's expected results are worth the program's costs.	6	67%
b) Benefit/cost analysis is presented	5	56%
c) IRR is calculated/presented	4	44%
4) Political Analysis		
a) A discussion of the commitment of the government to the reforms the program supports is provided.	7	78%

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ITEM	NUMBER OF NPAs CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
b) The political feasibility of implementation is discussed, e.g., the role that "loser" might play in slowing implementation, etc.	5	56%
5) Technical feasibility analysis included	6	67%
i. Implementation Arrangements:		
1) Disbursement plan, to include:	9	100%
a) Identification of specific benchmarks against which funds are to be disbursed	9	100%
b) Timeline for disbursements	8	89%
2) Role of the host country government	9	100%
3) Role of A.I.D.	9	100%
4) Discussion of the projectized element, if any, and how it fits into the program	7	78%
5) Sustainability addressed (recurrent cost analysis)	3	33%
j. Monitoring and Evaluation:		
1) M & E Plan included, with provision for baseline data, benchmarks, schedule and methodology	9	100%
2) Provision made for impact analysis, stressing people level indicators	8	89%
k. Financial Management:		
1) Funding authorizations:		
a) First year authorization limited to the amount obligated for that year	7	78%
b) Procedures for subsequent years' authorization amendments included	5	56%
2) Dollar disbursement arrangements:		
a) Justification for a cash transfer vs. a CIP included	2	22%

ITEM	NUMBER OF NPAs CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
b) Analysis of overall foreign exchange regime included	6	67%
c) Discussion of currency controls that protect against capital flight	4	44%
d) Provision for a separate dollar account is indicated, or a waiver of the separate account requirement has been granted/requested [Note: ECPR cable will indicate approval of requests for waivers contained in PAIPs approved in or after FY 1990; separate cable guidance will be provided in response to requests for waivers in the cases of PAIPs approved before FY 1990 for programs to be authorized in FY 1990).	8	89%
e) Authorized uses of dollar funds (debt service or import financing) indicated	6	67%
f) The host country agency responsible for managing the dollar separate account:		
i. Has been identified	6	67%
ii. Capabilities to track and account for program funds have been assessed	3	33%
iii. If applicable, means of strengthening its management capability and the source of funding have been indicated	0	-
iv. Reporting requirements have been specified, to include:		
a) Status reports at least quarterly	4	44%
b) Clause included requiring the redeposit of funds applied to a disallowed use	1	11%

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ITEM	NUMBER OF NPAs CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
g) Audit requirements have been stated, to include:	2	22%
i. Annual audits in accordance with GAO auditing standards	1	11%
ii. Identification of the auditor (independent firm or the host country central auditing agency)	1	11%
iii. Identification of the audit funding source (host country owned local currency, dollars from the program, or PD&S funds) indicated	2	22%
iv. A provision providing for full and timely access of the USG to relevant documentation	3	33%
h) Discussion of how preference for U.S.- source imports will be addressed	3	33%
i) Detailed discussion of disbursement procedures for dollars and local currency included	8	89%
3) Local Currency Arrangements: <u>For all local currency agreements:</u>		
a) Separate account has been provided for	6	67%
b) Total amount of dollar assistance which will generate local currency specified	5	56%
c) Terms and conditions of local currency use specified <u>For agreements effective July 1, 1991 or later unless a waiver of these provisions has been obtained):</u>	6	67%
d) Detailed assessment of appropriate programming alternatives available to the mission included	1	11%
e) Local currency account specifics:		

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ITEM	NUMBER OF NPAs CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
i. Total amount of dollar assistance which will generate local currency specified	5	56%
ii. Exchange rate for expressing the dollar amount in local currency terms specified, to include any necessary provision for adjustments in the event of currency fluctuation	3	33%
iii. Timing of local currency deposits indicated	5	56%
f) Local currency uses consistent with the proposed sector reform program, or an argument for alternative uses included. Uses may be for either budgetary or extrabudgetary purposes. If budgetary, they may be for either general or specific sector support)	5	56%
g) Capability of the host country agency to be responsible for managing the local currency account:		
i. PAAD to contain either a statement to the effect that a formal financial assessment of agency capability is needed, or that based on previous favorable mission experience with the agency in question, an informal assessment will suffice	4	44%
ii. If TA to improve agency capability is deemed necessary, funding source local currency associated with the program, or appropriated dollar funds) is indicated	1	11%

ITEM	NUMBER OF NPAs CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
h) Provision made for appropriate reporting by the agency responsible for managing the local currency account, including:		
i. specification of format	3	33%
ii. requirement that reports be submitted at least quarterly	5	56%
iii. allocation of funds by project where applicable)	2	22%
iv. indications as to whether performance indicators were achieved	1	11%
i. If local currency is to be programmed for specific sector support and monitored by an agency other than the agency responsible for the special account, then:		
i. the agency in question is identified	2	22%
ii. the means of sharing monitoring responsibility is described	0	-
j) If local currency is to be programmed for extrabudgetary support, a statement concerning the capability of the host country agency responsible for managing the separate account to perform or arrange for performance of financial assessments of recipient agencies is included	0	-
k) If the capability of the agency assessed per j above is regarded as uncertain, then a discussion of means to assess that capability (formal or informal) is included	0	-
l) Audit requirements stated:		
i. Provision made for audits of agencies responsible for managing special accounts and of local currency recipient organizations	4	44%

ITEM	NUMBER OF NPAs CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
ii. Discussion of whether public or private entities will perform the audit included	3	33%
iii. Conclusion as to the competency of the audit agency's ability to conduct a professional audit included	0	-
iv. If the host government is to perform the audit, a discussion of its ability to conduct an independent, fair and impartial audit is included	0	-
v. Audit funding source local currency associated with the program, appropriated dollars, or PD&S funds) is indicated	2	22%
vi. Statement included to the effect that the USG reserves audit rights, and that A.I.D. audit rights will not be subordinated or infringed by arrangements for audits by the host country or outside auditors	2	22%
m. Local currency use plan included	2	22%
n. If local currencies are to be programmed for budgetary support: budgetary projections included	1	11%
o. Conditions, Covenants and Negotiating Status		
1) Conditions and covenants are all stated	8	89%
2) If only the first several years of conditions and covenants are provided, the PAAD makes provision for specifying outyear conditionality at a later time.	4	44%
3) Status of negotiations with host country officials discussed	3	33%
p. Miscellaneous:		

ITEM	NUMBER OF NPAs CODED "YES" ON THIS ITEM	PERCENT OF PROJECTS CODED "YES" ON THIS ITEM
1) PAIP approval cable	9	100%
2) Host country request for assistance	9	100%
3) Log frame	9	100%
q. Annexes		
1) Detailed Social Analysis	4	44%
2) Detailed Administrative/Institutional Analysis	3	33%
3) Detailed Economic Analysis	4	44%
4) Detailed Technical Analysis	3	33%
5) Detailed Political Analysis	1	11%
6) Detailed Financial Analysis	2	22%
7) Environmental Analysis or Facesheet from IEE	9	100%
8) Statutory Checklist		
a) Country Checklist		
i. Is a country checklist included	4	44%
ii. If no, is reference made to a previously submitted country checklist.	4	44%
b) Assistance/Standard Item Checklist	9	100%

Table 8: Index of Non-Compliance with Financial Management Guidance for NPA Designs (Section "K" of the Study Instrument)¹ (N=9)

	Schedule A Missions		Schedule B Missions	
	Field Approved	Approved in Washington	Field Approved	Approved in Washington
Programs with Significant Project Components (N=6)	27.5 (N=4)			21.0 (N=2)
Programs Without Project Components or With Very Small Project Components (N=3)	32.0 (N=1)	30.0 (N=1)		25.0 (N=1)

¹ This index number considers only answers of "No" on 45 financial management questions; answers of "N/A" were ignored in this calculation.

Table 9: Number and Percentage of Financial Management Program Guidance Requirements With Which Programs (N=9) Did Not Comply¹

(Percent is computed as the # of "No" answers as a percent of the # of "Yes" and "No" answers; in this calculation programs scored as "N/A" are ignored)

ITEM	Number of "No" Answers	Number of "Yes" Answers	Percent of "No" Answers
k. Financial Management:			
1) Funding authorizations:			
a) First year authorization limited to the amount obligated for that year	2	7	22%
b) Procedures for subsequent years' authorization amendments included	2	5	29%
2) Dollar disbursement arrangements:			
a) Justification for a cash transfer vs. a CIP included	7	2	78%
b) Analysis of overall foreign exchange regime included	3	6	33%
c) Discussion of currency controls that protect against capital flight	1	4	20%
d) Provision for a separate dollar account is indicated, or a waiver of the separate account requirement has been granted/requested [Note: ECPR cable will indicate approval of requests for waivers contained in PAIPs approved in or after FY 1990; separate cable guidance will be provided in response to requests for waivers in the cases of PAIPs approved before FY 1990 for programs to be authorized in FY 1990).	1	8	11%
e) Authorized uses of dollar funds (debt service or import financing) indicated	0	6	--
f) The host country agency responsible for managing the dollar separate account:			
i. Has been identified	1	6	14%
ii. Capabilities to track and account for program funds have been assessed	4	3	57%
iii. If applicable, means of strengthening its management capability and the source of funding have been indicated	2	0	100%

¹ Sequence in this Table follows that shown in Table 7, rather than in Annex A.

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ITEM	Number of "No" Answers	Number of "Yes" Answers	Percent of "No" Answers
iv. Reporting requirements have been specified, to include:			
a) Status reports at least quarterly	2	4	33%
b) Clause included requiring the redeposit of funds applied to a disallowed use	5	1	83%
g) Audit requirements have been stated, to include:	4	2	67%
i. Annual audits in accordance with GAO auditing standards	5	1	83%
ii. Identification of the auditor (independent firm or the host country central auditing agency)	4	1	80%
iii. Identification of the audit funding source (host country owned local currency, dollars from the program, or PD&S funds) indicated	4	2	67%
iv. A provision providing for full and timely access of the USG to relevant documentation	3	3	50%
h) Discussion of how preference for U.S.- source imports will be addressed	3	3	50%
i) Detailed discussion of disbursement procedures for dollars and local currency included	0	8	--
3) Local Currency Arrangements: <u>For all local currency agreements:</u>			
a) Separate account has been provided for	2	6	25%
b) Total amount of dollar assistance which will generate local currency specified	1	5	17%
c) <u>Terms and conditions of local currency use specified</u> <u>For agreements effective July 1, 1991 or later unless a waiver of these provisions has been obtained):</u>	0	6	--
d) Detailed assessment of appropriate programming alternatives available to the mission included	5	1	83%
e) Local currency account specifics:			
i. Total amount of dollar assistance which will generate local currency specified	1	5	17%
ii. Exchange rate for expressing the dollar amount in local currency terms specified, to include any necessary provision for adjustments in the event of currency fluctuation	3	3	50%

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ITEM	Number of "No" Answers	Number of "Yes" Answers	Percent of "No" Answers
iii. Timing of local currency deposits indicated	3	5	38%
f) Local currency uses consistent with the proposed sector reform program, or an argument for alternative uses included. Uses may be for either budgetary or extrabudgetary purposes. If budgetary, they may be for either general or specific sector support)	1	5	17%
g) Capability of the host country agency to be responsible for managing the local currency account:			
i. PAAD to contain either a statement to the effect that a formal financial assessment of agency capability is needed, or that based on previous favorable mission experience with the agency in question, an informal assessment will suffice	2	4	33%
ii. If TA to improve agency capability is deemed necessary, funding source local currency associated with the program, or appropriated dollar funds) is indicated	0	1	--
h) Provision made for appropriate reporting by the agency responsible for managing the local currency account, including:			
i. specification of format	3	3	50%
ii. requirement that reports be submitted at least quarterly	1	5	17%
iii. allocation of funds by project where applicable)	0	2	--
iv. indications as to whether performance indicators were achieved	4	1	80%
i) If local currency is to be programmed for specific sector support and monitored by an agency other than the agency responsible for the special account, then:			
i. the agency in question is identified	2	2	50%
ii. the means of sharing monitoring responsibility is described	3	0	100%
j) If local currency is to be programmed for extrabudgetary support, a statement concerning the capability of the host country agency responsible for managing the separate account to perform or arrange for performance of financial assessments of recipient agencies is included	0	0	--

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ITEM	Number of "No" Answers	Number of "Yes" Answers	Percent of "No" Answers
k) If the capability of the agency assessed per j above is regarded as uncertain, then a discussion of means to assess that capability (formal or informal) is included	0	0	--
l) Audit requirements stated:			
i. Provision made for audits of agencies responsible for managing special accounts and of local currency recipient organizations	2	4	33%
ii. Discussion of whether public or private entities will perform the audit included	3	3	50%
iii. Conclusion as to the competency of the audit agency's ability to conduct a professional audit included	3	0	100%
iv. If the host government is to perform the audit, a discussion of its ability to conduct an independent, fair and impartial audit is included	2	0	100%
v. Audit funding source local currency associated with the program, appropriated dollars, or PD&S funds) is indicated	4	2	67%
vi. Statement included to the effect that the USG reserves audit rights, and that A.I.D. audit rights will not be subordinated or infringed by arrangements for audits by the host country or outside auditors	4	2	67%
m) Local currency use plan included	4	2	67%
n) If local currencies are to be programmed for budgetary support: budgetary projections included	3	1	75%

Table 10: Application of the Basic Non-Compliance Indices on a Geographic Basis^{1/}

	Geographic Divisions Within the Africa Bureau			
	Southern Africa	East Africa	Central and Coastal West Africa	Sahel and West Africa
1. Index of Compliance with Project Guidance				
a. Stand-Alone Projects (N=19)	16.2 (N=6)	12.3 (N=3)	11.7 (N=6)	10.5 (N=4)
b. Project Components of NPAs (N=6)	16.5 (N=2)	9 (N=1)	27 (N=1)	26 (N=2)
2. Index of Compliance with NPA Guidance (N=9)				
a. Basic NPA Guidance (N=9)	14.3 (N=3)	13.0 (N=2)	20.0 (N=1)	22.6 (N=3)
b. Financial Management Guidance (N=9)	24.6 (N=3)	26.5 (N=2)	17.0 (N=1)	31.7 (N=3)

¹ Six programs that have project elements appear twice in this table, i.e., they are included in row 1.b as well as in row 2, since they were scored as both projects and as programs.

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Table 11: Application of the Basic Compliance Indices on a Non-Topical Basis^{1/}

	Fields of Project and Program Activity			
	Health and Population	Agriculture, Natural Resources and the Environment	Private Sector	Education
1. Index of Compliance with Project Guidance				
a. Stand Alone Projects (N=17)	10.7 (N=6)	12.8 (N=6)	14.8 (N=4)	26.0 (N=1)
b. Project Components of NPAs (N=5)		9.5 (N=2)	20.0 (N=1)	25.0 (N=2)
2. Index of Compliance with Non-project Guidance (N=8)				
a. Basic Guidance (N=8)		15.0 (N=4)	18.0 (N=2)	16.5 (N=2)
b. Financial Management Guidance (N=8)		28.0 (N=4)	27.5 (N=2)	16.0 (N=2)

¹ Three projects and one NPA program which did not fit these major A.I.D. programming categories were not included in this table.

Table 12: Percent of ECPR Project Issues That Were Complied With or Otherwise Addressed in PPs

	Schedule A Missions		Schedule B Missions	
	Field Approved	Approved in Washington	Field Approved	Approved in Washington
Stand Alone Projects (N=19)	73% (N=12)	86% (N=1)	70% (N=6)	
Programs That Have Significant Project Components (N=6)	100% (N=4)			100% (N=2)

Table 13
 Frequency With Which ECPR Guidance on PIDs Focused
 On Specific Issues and the Percentage of Stand-Alone Projects in Which ECPR
 Guidance Was Complied With Or Otherwise Addressed²

ITEM	NUMBER OF PROJECTS FOR WHICH THIS TOPIC WAS RAISED IN ECPR CABLES FOLLOWING PID REVIEWS (N=19)	PERCENT OF PROJECTS FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
1. Project Paper (PP) [Body of the PP, excluding annexes, should not exceed 50 pages]	--	--
a. PP Facesheet (Project Data Sheet)	--	--
b. Authorization Materials	--	--
1) Action Memorandum		
a) Waivers, if applicable	8	100%
b) Justification to Congress (appropriate reference to Congressional Presentation or date of other Congressional Notification)	--	--
c) Clearances Obtained (List all noted and all visible on Action Memorandum, Project Authorization document, etc.)	--	--
2) Project Authorization	--	--
a) Fiscal Considerations--plan for disbursement in increments, subject to the availability of funds	--	--
b) Delayed obligations-- expectations about any substantive matters to be addressed before initial or incremental disbursements	--	--

² Note that Handbook III does not specifically call for a description of the problem the project will address in this PP section.

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ITEM	NUMBER OF PROJECTS FOR WHICH THIS TOPIC WAS RAISED IN ECPR CABLES FOLLOWING PID REVIEWS (N=19)	PERCENT OF PROJECTS FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
c) Life of project--expected duration from signature date to end of project	--	--
d) Project Description--consistent with the PP (Consistent Purpose Statement is adequate.)	--	--
e) Conditions and Covenants--consistent with the PP	--	--
c. Project Rationale and Description		
1) Rationale in context of CDSS and recipients own plans. ³	14	50%
2) Discussion of Project Objectives (Goal, Purpose and Outputs)	18	72%
3) Project Elements		
a) Inputs	32	63%
b) Project sites or units	--	--
c) Project participants and responsibilities for project execution	10	70%
d) Project beneficiaries--how they participate and benefit	3	100%
e) Participant Training Plan, if applicable	6	50%
4) Role of Other Donors and/or relationships to other donor activities	10	60%
d. Cost Estimate and Financial Plan		
1) Narrative explanation of cost estimate	--	100%

³ Note that Handbook III does not specifically call for a description of the problem the project will address in this PP section.

ITEM	NUMBER OF PROJECTS FOR WHICH THIS TOPIC WAS RAISED IN ECPR CABLES FOLLOWING PID REVIEWS (N=19)	PERCENT OF PROJECTS FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
2) Table or chart that summarizes planned expenditures by year	--	--
3) Table or chart that shows project elements or outputs on which funds will be spent	--	--
4) Table or narrative that shows host country contributions	--	--
5) Table or chart (in PP or in annex) showing methods of payment to be used (e.g., direct payment, bank letters of commitment, Federal Reserve letters of credit, etc.)	--	--
e. Implementation Plan		
1) Narrative description	6	100%
a) Description of the responsibilities to be assumed by the B/G	5	80%
2) Time-phased schedules, (bar charts, etc.)	1	--
3) Procurement plan (types of goods and services, probable sources)	26	81%
f. Monitoring Plan	8	88%
g. Summaries of Analyses (covering all analyses actually included in the PP)	--	--
h. Conditions and Covenants		
(1) Conditions (One time actions to be taken by the B/G, including "conditions precedent", i.e., those actions to be taken before A.I.D.'s monies are disbursed)	6	33%
(2) Covenants (Actions to be taken by the B/G that are continuous in nature and which may not be directly related to project activity)	2	100%

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ITEM	NUMBER OF PROJECTS FOR WHICH THIS TOPIC WAS RAISED IN ECPR CABLES FOLLOWING PID REVIEWS (N=19)	PERCENT OF PROJECTS FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
i. Evaluation Arrangements	--	
1) Includes or calls for baseline as well as follow-up data collection	2	50%
2) Here or elsewhere in the PP, people-level indicators are identified above the Output level.	2	--
j. Annexes [Annexes to the PP should not exceed 70 pages]	--	--
1) PID Approval Message	--	
2) Logical Framework Matrix	3	100%
3) B/G Request for Assistance	--	--
4) FAA, Section 611 Certifications, if applicable		
a) Does this project include physical facilities valued at \$1 million or more?	--	--
b) If Yes, a 611(e) Certification that a country will effectively utilize and maintain the results of capital assistance projects is included	--	--
5) Project Analyses		
a) Technical	8	63%
b) Financial	--	--
i. Project budget covering the project period (LOP).	8	50%

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ITEM	NUMBER OF PROJECTS FOR WHICH THIS TOPIC WAS RAISED IN ECPR CABLES FOLLOWING PID REVIEWS (N=19)	PERCENT OF PROJECTS FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
ii. Long-term Financial Plan, covering financial sustainability and means for covering recurrent costs after A.I.D.'s financial participation ends.) analysis of future sources of funds, including earned revenues, if applicable	15	60%
c) Economic	--	--
i. Cost/benefit analysis described	--	--
ii. IRR calculated and shown	1	--
d) Social Soundness	--	
i. Sociocultural feasibility--can project be carried out as planned in this setting	4	100%
ii. Spread effects -- if innovations are included, how will diffusion beyond the project population occur	--	--
iii. Social consequences and benefit incidence -- probable impacts of projects on society and on particular subgroups.	3	67%
iv. Discussion regarding minimizing negative impacts on vulnerable groups.	--	--
e) Administrative/Institutional	3	67%

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ITEM	NUMBER OF PROJECTS FOR WHICH THIS TOPIC WAS RAISED IN ECPR CABLES FOLLOWING PID REVIEWS (N=19)	PERCENT OF PROJECTS FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
i. Organization--its type, status (legal and financial) etc.	4	50%
ii. Management--its authority/scope and experience	6	67%
iii. Staff--adequacy, qualifications and turnover	1	--
f) Environmental (Analysis) or Facesheet from IEE	5	80%
g) Energy	--	--
h) Women in Development (separate or as part of the Social Soundness Analysis)	12	67%
6) Statutory Checklist		
a) Country Checklist		
i. Is a country checklist included	--	--
ii. If no, is reference made to a previously submitted country checklist.	--	--
b) Assistance/Standard Item Checklist	14	86%

Table 14
 Frequency With Which ECPR Guidance on PIDs Focused
 On Specific Issues and the Percentage of Programs With Significant Project Components
 Projects in Which ECPR Guidance Was Complied With Or Otherwise Addressed⁴

ITEM	NUMBER OF PROJECTS FOR WHICH THIS TOPIC WAS RAISED IN ECPR CABLES FOLLOWING PID REVIEWS (N=6)	PERCENT OF PROJECTS FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
1. Project Paper (PP) [Body of the PP, excluding annexes, should not exceed 50 pages]	--	--
a. PP Facesheet (Project Data Sheet)	--	--
b. Authorization Materials	--	--
1) Action Memorandum	--	--
a) Waivers, if applicable	--	--
b) Justification to Congress (appropriate reference to Congressional Presentation or date of other Congressional Notification)	--	--
c) Clearances Obtained (List all noted and all visible on Action Memorandum, Project Authorization document, etc.)	--	--
2) Project Authorization	--	--
a) Fiscal Considerations--plan for disbursement in increments, subject to the availability of funds	--	--
b) Delayed obligations-- expectations about any substantive matters to be addressed before initial or incremental disbursements	--	--

⁴ Note that Handbook III does not specifically call for a description of the problem the project will address in this PP section.

ITEM	NUMBER OF PROJECTS FOR WHICH THIS TOPIC WAS RAISED IN ECPR CABLES FOLLOWING PID REVIEWS (N=6)	PERCENT OF PROJECTS FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
c) Life of project--expected duration from signature date to end of project	--	--
d) Project Description--consistent with the PP (Consistent Purpose Statement is adequate.)	--	--
e) Conditions and Covenants--consistent with the PP	--	--
c. Project Rationale and Description		
1) Rationale in context of CDSS and recipients own plans. ⁵	--	--
2) Discussion of Project Objectives (Goal, Purpose and Outputs)	--	--
3) Project Elements		
a) Inputs	1	100%
b) Project sites or units	--	--
c) Project participants and responsibilities for project execution	--	--
d) Project beneficiaries--how they participate and benefit	--	--
e) Participant Training Plan, if applicable	--	--
4) Role of Other Donors and/or relationships to other donor activities	--	--
d. Cost Estimate and Financial Plan		
1) Narrative explanation of cost estimate	--	--

⁵ Note that Handbook III does not specifically call for a description of the problem the project will address in this PP section.

ITEM	NUMBER OF PROJECTS FOR WHICH THIS TOPIC WAS RAISED IN ECPR CABLES FOLLOWING PID REVIEWS (N=6)	PERCENT OF PROJECTS FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
2) Table or chart that summarizes planned expenditures by year	--	--
3) Table or chart that shows project elements or outputs on which funds will be spent	--	--
4) Table or narrative that shows host country contributions	--	--
5) Table or chart (in PP or in annex) showing methods of payment to be used (e.g., direct payment, bank letters of commitment, Federal Reserve letters of credit, etc.)	--	--
e. Implementation Plan		
1) Narrative description	--	--
a) Description of the responsibilities to be assumed by the B/G	--	--
2) Time-phased schedules, (bar charts, etc.)	--	--
3) Procurement plan (types of goods and services, probable sources)	5	100%
f. Monitoring Plan	--	--
g. Summaries of Analyses (covering all analyses actually included in the PP)	--	--
h. Conditions and Covenants		
(1) Conditions (One time actions to be taken by the B/G, including "conditions precedent", i.e., those actions to be taken before A.I.D.'s monies are disbursed)	--	--
(2) Covenants (Actions to be taken by the B/G that are continuous in nature and which may not be directly related to project activity)	--	--

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ITEM	NUMBER OF PROJECTS FOR WHICH THIS TOPIC WAS RAISED IN ECPR CABLES FOLLOWING PID REVIEWS (N=6)	PERCENT OF PROJECTS FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
i. Evaluation Arrangements	--	--
1) Includes or calls for baseline as well as follow-up data collection	--	--
2) Here or elsewhere in the PP, people-level indicators are identified above the Output level.	--	--
j. Annexes [Annexes to the PP should not exceed 70 pages]	--	--
1) PID Approval Message	--	--
2) Logical Framework Matrix	--	--
3) B/G Request for Assistance	--	--
4) FAA, Section 611 Certifications, if applicable		
a) Does this project include physical facilities valued at \$1 million or more?	--	--
b) If Yes, a 611(e) Certification that a country will effectively utilize and maintain the results of capital assistance projects is included	--	--
5) Project Analyses		
a) Technical	--	--
b) Financial	--	--
i. Project budget covering the project period (LOP).	--	--

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ITEM	NUMBER OF PROJECTS FOR WHICH THIS TOPIC WAS RAISED IN ECPR CABLES FOLLOWING PID REVIEWS (N=6)	PERCENT OF PROJECTS FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
ii. Long-term Financial Plan, covering financial sustainability and means for covering recurrent costs after A.I.D.'s financial participation ends.) analysis of future sources of funds, including earned revenues, if applicable	--	--
c) Economic	--	--
i. Cost/benefit analysis described	--	--
ii. IRR calculated and shown	--	--
d) Social Soundness	--	--
i. Sociocultural feasibility--can project be carried out as planned in this setting	--	--
ii. Spread effects -- if innovations are included, how will diffusion beyond the project population occur	--	--
iii. Social consequences and benefit incidence -- probable impacts of projects on society and on particular subgroups.	--	--
iv. Discussion regarding minimizing negative impacts on vulnerable groups.	--	--
e) Administrative/Institutional	--	--

ITEM	NUMBER OF PROJECTS FOR WHICH THIS TOPIC WAS RAISED IN ECPR CABLES FOLLOWING PID REVIEWS (N=6)	PERCENT OF PROJECTS FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
i. Organization--its type, status (legal and financial) etc.	--	--
ii. Management--its authority/scope and experience	--	--
iii. Staff--adequacy, qualifications and turnover	--	--
f) Environmental (Analysis) or Facesheet from IEE	--	--
g) Energy	--	--
h) Women in Development (separate or as part of the Social Soundness Analysis)	--	--
6) Statutory Checklist		
a) Country Checklist		
i. Is a country checklist included	--	--
ii. If no, is reference made to a previously submitted country checklist.	--	--
b) Assistance/Standard Item Checklist	--	--

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Table 15 – Comments Made on Specific Project Paper (PP) Elements in ECPR Cables

ITEM	SPECIFIC ECPR COMMENTS
1. Project Paper (PP) [Body of the PP, excluding annexes, should not exceed 50 pages]	
a. PP Facesheet (Project Data Sheet)	
b. Authorization Materials	
1) Action Memorandum	
a) Waivers, if applicable	<ul style="list-style-type: none"> ■ If host country contribution of 25% cannot be obtained a waiver must be requested which sets forth rationale. (Case 6) ■ If alternate sources exist sole source waiver must be submitted. (Case 7) ■ Mission should pursue waivers for non U.S. pharmaceuticals and determine time involved for delivery. (Case 12) ■ Mission must obtain waiver if host country 25% contribution is not to be met. (Case 13) ■ PP should include an analyses in support of a request for a waiver of the required 25% host country contribution (Case 15) ■ Mission should discuss host country 25% contribution or requires a waiver. (Case 16) ■ PP should include information on 25% host country contribution or seek a waiver. (Case 17) ■ If host country 25% contribution is to be waived, waiver must be submitted prior to PP authorization. (Case 18)
b) Justification to Congress (appropriate reference to Congressional Presentation or date of other Congressional Notification)	
c) Clearances Obtained (List all noted and all visible on Action Memorandum, Project Authorization document, etc.)	

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ITEM	SPECIFIC ECPR COMMENTS
2) Project Authorization	
a) Fiscal Considerations--plan for disbursement in increments, subject to the availability of funds	
b) Delayed obligations--expectations about any substantive matters to be addressed before initial or incremental disbursements	
c) Life of project--expected duration from signature date to end of project	
d) Project Description--consistent with the PP (Consistent Purpose Statement is adequate.)	
e) Conditions and Covenants--consistent with the PP	
c. Project Rationale and Description	

ITEM	SPECIFIC ECPR COMMENTS
<p>1) Rationale in context of CDSS and recipients own plans.</p>	<ul style="list-style-type: none"> ■ Mission should explain its decision not to address the control of sexually transmitted diseases. (Case 4) ■ Delay NPA, design only project and include plan to carryout pre-NPA analysis during project implementation. (Case 6) ■ Provide justification for and impact of pharmaceuticals aspect of the project. (Case 6) ■ PP must make it clear that pharmaceuticals are not a form of balance of payments support. (Case 6) ■ PP should include a section describing achievements attained in previous projects (Case 10) ■ PP should include a discussion of the implementation status of recommendations made in recent threshold evaluation and how this project is addressing them. (Case 10) ■ To the extent possible coordinate planning of this project with the AIDS effort. (Case 13) ■ Provide more detail on INIA's accomplishments to date. (Case 14) ■ PP should include adequate studies and analysis to address the environmental and institutional issues that would be the basis for a FY91 NPA program (Case 15) ■ PP should include a full discussion of the relationship between the project and the Environmental action plan. (Case 15) ■ PP should include a discussion of the relationship of the project to the population strategy (Case 15) ■ PP should include a discussion of the relationship of the project to the energy strategy (Case 15) ■ Drop the NPA plan; focus primarily on the credit union, farmer group and private enterprise components (Case 18) ■ Mission needs to prepare and submit an agricultural sector analysis and strategy. (Case 19)

ITEM	SPECIFIC ECPR COMMENTS
<p>2) Discussion of Project Objectives (Goal, Purpose and Outputs)</p>	<ul style="list-style-type: none"> ■ Additional data is needed to support the project's contention that activities selected will have a significant impact. (Case 1) ■ PP should examine South Africa's influence, positive or negative, on the project's prospects for increasing investment in Botswana, i.e., its purpose (Case 1) ■ Mission should cable findings with respect to market constraints and proceed as planned or modify project based on these findings. (Case 3) ■ Purpose statement should reflect the 2-stage nature of this effort. (Case 3) ■ EOPs for malaria control is unrealistic given limited resources. Modify or increase level of effort. (Case 4) ■ Quantifiable indicators should be established at obtainable levels. (Case 4) ■ Development impact of pharmaceuticals must be included in the purpose statement. (Case 6) ■ PP targets for small business graduation to medium-size business is overly ambitious. (Case 9) ■ The Purpose Statement should concentrate on the primary benefits small farmers will receive; references to increased income and production should be left to the goal level. (Case 10) ■ At the EOPS level, PP must establish realistic objectives so that project implementation can be readily adjusted in light of established benchmarks. (Case 10) ■ The project purpose (part 2) is not within the mission's "manageable interest"; mission should reconsider (Case 15) ■ Project EOPS is too ambitious; scale down (Case 15) ■ Mission should consider a more ambitious statement of purpose, i.e., use new designs, not just develop them. (Case 16) ■ Revise the purpose, outputs and progress indicators to reflect dropping the cash transfer concept (Case 18)

ITEM	SPECIFIC ECPR COMMENTS
	<ul style="list-style-type: none"> <li data-bbox="940 188 1856 250">■ Modify goal and purpose to make them more logical and manageable and more accurately reflect what the project intends to accomplish. (Case 19) <li data-bbox="940 282 1923 344">■ PP needs to demonstrate that other, necessary action outside the project will be taken making purpose and goal achievement possible. (Case 19)
3) Project Elements	<ul style="list-style-type: none"> <li data-bbox="940 370 1656 399">■ Mission should use full and open contracting for TA. (Case 3)

ITEM	SPECIFIC ECPR COMMENTS
a) Inputs	<ul style="list-style-type: none"> ■ Revolving fund through the Peace Corps should not be funded under this project. (Case 1) ■ AEP Phase II should establish regular contacts between the private sector and UDCs and continue to use practical, problem-solving approaches in teaching and research. (Case 2) ■ Mission should consider option for providing project services as skeleton Agriculture Services Center seems insufficient to do all work outlined. (Case 3) ■ Mission should examine options for providing market information and select the most cost-effective. (Case 3) ■ PP should present preliminary strategy for addressing marketing problems identified by its analysis. (Case 3) ■ Mission proposal for AIDS counseling and testing was questioned as there is no evidence that this is more effective than counseling alone. Research recommended. (Case 4) ■ PP should discuss why all investments in EP25 must be foreign exchange. (Case 5) ■ PP should discuss whether foreign exchange investments will act as a disincentive to local investment. (Case 5) ■ TA portion of project should be refocused on gaining a better understanding of the health sector, including sustainability issues. (Case 6) ■ PP should consider separating the training and the small business assistance components within the project structure. (Case 9) ■ PP should include funding for research grants to indigenous universities to assist in measuring farm level impact. (Case 10) ■ PP should include funding for networking with international research centers. (Case 10) ■ Mission is urged to include a soil scientist as part of the technical assistance component of the new project. (Case 10) ■ Project should include a provision for increasing AIDS awareness where this can be done within funding availabilities (Case 11)

ITEM	SPECIFIC ECPR COMMENTS
	<ul style="list-style-type: none"> ■ Project should include operations research and test schemes focused on cost recovery (Case 11) ■ Mission should plan on a Title II monetization program managed by a PVO for a food source for local currency needs during year 2 through year 5 of the project. (Case 14) ■ Provide details of proposed high levels of TA in this area. (Case 14) ■ Project's technical assistance plan should include a rural development specialist in lieu of a resource economist (Case 15) ■ PP team should include a rural development specialist; AID/W will help if needed (Case 15) ■ Mission should examine ways to strengthen the extension service through this project. (Case 16) ■ Grants to individual scientists should be closely related to the project's purpose. (Case 16) ■ Mission should include a sociologist/anthropologist or the design team since technologies to be studied are indigenous ones. (Case 16) ■ Consider NPA in support of additional policy reforms. (Case 17) ■ PP should go beyond social marketing to address all actions for promoting family planning, including education, information, etc. (Case 17) ■ PP should review the basis for a nutrition intervention and consider expanding beyond growth monitoring to include nutrition education, Vitamin A, feeding programs, etc. (Case 17) ■ PP should consider all possible malaria control interventions. (Case 17) ■ Mission strongly urged not to eliminate USDH-HPN position in Togo. (Case 17) ■ If a credit fund is established, every effort should be made to channel the funds through private sector entities (Case 18)

ITEM	SPECIFIC ECPR COMMENTS
	<ul style="list-style-type: none"> ■ If the credit grant is to the GOT, it should lend at the prevailing discount rate (Case 18) ■ PP should consider funding studies, seminars and training that focus on constraints to private sector participation (Case 18) ■ As designed, project is management intensive. Simplify. (Case 19) ■ PP must address issue of road maintenance in depth. (Case 19) ■ Mission should rethink large amount of TA proposed for this program. (Case 20)
b) Project sites or units	

ITEM	SPECIFIC ECPR COMMENTS
<p>c) Project participants and responsibilities for project execution</p>	<ul style="list-style-type: none"> ■ Mission should clearly outline the project management structure and the projects' burden on REDSO and consider various staffing options. (Case 4) ■ PP should include an in-depth assessment of the mission's capability for handling the increased workload implied by the project. (Case 8) ■ PP should consider the problem of job placement for black graduates of South African universities, and which entity should take on this responsibility. (Case 8) ■ PP should include a discussion of the relationship of project interventions to the MOHSA's organizational structure. (Case 12) ■ Discuss who will have the primary responsibility for the construction and maintenance of watershed structure and what role if any local communities will play. (Case 14) ■ PP should define additional needs for enforcement through DEF that should be addressed under this project (Case 15) ■ Given past ISRA management problems, a clear set of priority research objectives and budget are required. (Case 16) ■ Participation of and support from other NGOs should be limited to setting the research agenda and in technology transfer. (Case 16) ■ Mission should examine the possibility/realism of having NGOs and farmer organizations contract out research trials to ISRA, Winrock, etc. (Case 16) ■ PP should review probability of national level GOG allocations for road maintenance as well as community level resources and commitment. (Case 19)
<p>d) Project beneficiaries--how they participate and benefit</p>	<ul style="list-style-type: none"> ■ Impact indicators must reflect how the project will directly benefit target beneficiary farmers. (Case 10) ■ Provide information on likely people-level and producer-level impact of the agricultural research activity. (Case 14) ■ The project should make more effort to involve local communities in watershed management. (Case 14)

ITEM	SPECIFIC ECPR COMMENTS
<p>e) Participant Training Plan, if applicable</p>	<ul style="list-style-type: none"> ■ PP should assess training needs for marketing skills. (Case 3) ■ Mission should consider pre- as well as in-service training in child survival area. (Case 4) ■ LOP training target of 120 FP workers seems low. (Case 4) ■ PP should demonstrate that appropriate candidates will be available for the short-term training component, and that concerns such as time-off from jobs will not be a problem. (Case 8) ■ PP should demonstrate the impact of long term training performed under earlier projects and technology generated by those trained to the Ph.D. & MSC levels. (Case 10) ■ PP should address current skill levels and training needs for each EOP goal, including private sector requirements. (Case 19)

ITEM	SPECIFIC ECPR COMMENTS
<p>4) Role of Other Donors and/or relationships to other donor activities</p>	<ul style="list-style-type: none"> ■ PP should explain how program is complimentary to GOB's divestiture activities and role of other donors (Case 1) ■ PP should consider using a donor coordination group under the sponsorship of SPAAR to enhance the long-term sustainability of the research system. (Case 10) ■ If GOZ moves ahead with the nationwide expansion recommended by the IBRD, PP should discuss how project's outreach activities might be affected and what alternative measures would be appropriate. (Case 10) ■ Mission should require multi-year commitments for contraceptive supplies from collaborating donors (Case 11) ■ Mission should supplement PVO design with additional analyses as necessary, e.g., donor coordination. (Case 13) ■ Mission is reminded that its substantial involvement is required, even if a cooperative agreement mechanism is used. (Case 13) ■ PP should include a full discussion of coordination with other donors (Case 13) ■ Discuss the role that other donors will play. (Case 14) ■ Mission should review and coordinate efforts with the World Bank to avoid duplication/overlap. (Case 17) ■ PP should identify key donor groups and actively solicit the sharing of views and the development of mutually reinforcing activities (Case 18)
<p>d. Cost Estimate and Financial Plan</p>	
<p>1) Narrative explanation of cost estimate</p>	<ul style="list-style-type: none"> ■ Mission should explain the \$2.7 budgeted for salary costs. (Case 4) ■ PP should clarify whether A.I.D. will finance the cost of establishing the new project organization. (Case 9)
<p>2) Table or chart that summarizes planned expenditures by year</p>	
<p>3) Table or chart that shows project elements or outputs on which funds will be spent</p>	

ITEM	SPECIFIC ECPR COMMENTS
4) Table or narrative that shows host country contributions	
5) Table or chart (in PP or in annex) showing methods of payment to be used (e.g., direct payment, bank letters of commitment, Federal Reserve letters of credit, etc.)	
e. Implementation Plan	
1) Narrative description	<ul style="list-style-type: none"> ■ PP should consider/discuss the policy environment for health care reform/family planning and how these will progress without NPA. (Case 4) ■ PP should discuss how M&E plan will be implemented. (Case 9) ■ PP should ensure that the three subprojects are carried out in the five core provinces in an integrated manner. (Case 12) ■ Project implementation should be handled by a Title XII institutions in partnership with PVOs, using a grant agreement. (Case 14) ■ Mission should examine the three suggested implementation options and submit preferred approach to AID/W before finalizing the PP. (Case 16) ■ Mission should consider alternative implementation mechanisms through non-public entities, i.e., private sector. (Case 17)
a) Description of the responsibilities to be assumed by the B/G	<ul style="list-style-type: none"> ■ PP should indicate whether decision to have host country manage procurement is based on a formal review of their capacity. (Case 7) ■ Mission should minimize government involvement in the project, e.g., operations, Board of Directors, etc. (Case 9) ■ Mission should explain why A.I.D. representation on the Board is necessary. (Case 9) ■ Mission should look for and seize opportunities for government to take over cost of technical assistance. (Case 11) ■ PP should include a discussion of the legal enforcement of protected areas (Case 15) ■ PP should discuss the capacity of the DEF to support the project objectives and the DEF/ANGAP relationship (Case 15)

ITEM	SPECIFIC ECPR COMMENTS
2) Time-phased schedules, (bar charts, etc.)	■ Mission should provide a mechanism that ensures coordination among contractors during the design phase. (Case 12)

ITEM	SPECIFIC ECPR COMMENTS
<p>3) Procurement plan (types of goods and services, probable sources)</p>	<ul style="list-style-type: none"> ■ Reduce management burden by reducing the number of separate project related contracts and grants. (Case 5) ■ Grant to UNICEF should be used for pharmaceuticals procurement. (Case 6) ■ If two-step process for locomotive procurement is to be used it must be a team effort involving RLA, contractor, host country, etc. (Case 7) ■ Mission should consider extending the spare parts provision from 2 to 5 years. (Case 7) ■ Code 000 should be used for locomotive procurement. (Case 7) ■ Proprietary procurement of locomotive must be justified on stronger grounds than standardization. (Case 7) ■ Bidders/suppliers should negotiate shipping rates with vendors. (Case 7) ■ Freight contracts should be Code 935 with at least 50% of tonnage going on U.S. carriers. (Case 7) ■ ECPR recommends mission seek a former direct hire POP officer as a PSC to handle management, as no new direct hire is possible (Case 11) ■ If buy-ins are to be used, Mission must identify its proposed source and its buy-in ceiling and obtain a written commitment from S&T/POP (Case 11) ■ Mission should ensure that proposed contractors have enough ceiling left in their buy-in contracts to handle this project. (Case 12) ■ Selection of Pathfinder for both design and implementation is questioned. Separation is "strongly recommended". (Case 13) ■ Mission must provide strong justification for the non-competitive selection of its implementation contractor if Pathfinder is selected. (Case 13) ■ Provide additional information on the number of TA specialists required by the project, and their tasks and costs. (Case 14) ■ Provide additional information on the merits of short-term vs. long-term specialists. (Case 14)

ITEM	SPECIFIC ECPR COMMENTS
	<ul style="list-style-type: none"> ■ Mission should consider alternative mechanisms to a one time grant to NGOs, e.g., two-step grants or cooperative agreements. (Case 15) ■ ANGAP as the institutional contractor -- PP needs to assure that it will not treat contractors as PSCs using this arrangement (Case 15) ■ Overall criteria for award of NGO grants or cooperative agreements should be indicated in PP. (Case 15) ■ A sub-grant mechanism for dealing with NGOs is <u>not</u> recommended (Case 15) ■ Funding for non-ISRA research activities should be limited to proposals that are consistent with the project purpose and should be provided only after an institutional analysis of the grantee. (Case 16) ■ The mission should consult with the RLA on the issue of salary supplements (Case 16) ■ Procurement of technical services from both private and public sector should be explained. (Case 17) ■ PP should address the issues arising from procurement by or on behalf of PVOs, e.g., competitive bidding, waivers, etc. (Case 18) ■ Discuss host country contracting options in the PP. (Case 19) ■ PP should contain a procurement plan. (Case 19) ■ To require contractor to sub-contract with local firms, mission should consult with the RLA on FAR regulations. (Case 20) ■ Mission should justify Code 935 for vehicle procurement. (Case 20) ■ PAAD should include a procurement plan that is sufficiently detailed to meet FAA See 611(a) requirements. (Case 20) ■ TA components should be described and budgeted in a separate PAAD annex marked "Source Selection Information". (Case 20) ■ After Year One, use mission based IQC for short term TA. (Case 20)

ITEM	SPECIFIC ECPR COMMENTS
f. Monitoring Plan	<ul style="list-style-type: none"> ■ PP should provide a well developed monitoring system to assess progress. (Case 3) ■ Impact of pharmaceuticals must be monitored and evaluated by project. (Case 6) ■ PP should contain an evaluation plan integrating baseline and regular monitoring of key targets. (Case 9) ■ A monitoring and evaluation plan should be included in the PP. (Case 12) ■ PP should include a monitoring and evaluation plan consistent with CDIE guidance. (Case 13) ■ Build a capacity for monitoring and evaluating the impact of agricultural research on crop yields into the project. (Case 16) ■ Special attention should be paid to the inclusion of quantitative indicators in the monitoring plan. (Case 18) ■ PP should include plans for collecting data to monitor project impact and should state who will provide short-term TA in this area. (Case 19)
g. Summaries of Analyses (covering all analyses actually included in the PP)	
h. Conditions and Covenants	

ITEM	SPECIFIC ECPR COMMENTS
<p>(1) Conditions (One time actions to be taken by the B/G, including "conditions precedent", i.e., those actions to be taken before A.I.D.'s monies are disbursed)</p>	<ul style="list-style-type: none"> ■ Project should develop a status report on the IBRD's study prior to disbursing two year funds. (Case 7) ■ Mission should review IBRD requirements as well as proposed conditions to ensure none conflict with/impede achievement of the projects objectives. (Case 7) ■ Mission should redraft CPs and covenants to specify timing in relation to disbursements. (Case 7) ■ The CPs should be reexamined and retained only if they support the revised project (Case 18) ■ If CPs include requirements for legislative action by the GOT, can Mission reasonably assure timely action, per FAA Sec. 611a.(2) (Case 18) ■ Mission should consider what policy considerations are a prerequisite to achieving the project goal and incorporate them into the PP. (Case 19)
<p>(2) Covenants (Actions to be taken by the B/G that are continuous in nature and which may not be directly related to project activity)</p>	<ul style="list-style-type: none"> ■ Mission should seek a covenant that assures the right of targeted health facilities to retain revenues they generate. (Case 12) ■ Delete proposed covenants. (Case 18)
<p>i. Evaluation Arrangements</p>	
<p>1) Includes or calls for baseline as well as follow-up data collection</p>	<ul style="list-style-type: none"> ■ PP should develop feedback mechanism in order to measure the effectiveness and practicality of teaching and research. (Case 2) ■ PP must establish clear meaningful, and pragmatic benchmarks (that assess project impact) within specific timeframes (Case 10)
<p>2) Here or elsewhere in the PP, people-level indicators are identified above the Output level.</p>	<ul style="list-style-type: none"> ■ PP must have measurable people-level indicators. (Case 2) ■ PP should include people level indicators at the purpose and goal level. (Case 7)
<p>j. Annexes [Annexes to the PP should not exceed 70 pages]</p>	
<p>1) PID Approval Message</p>	

ITEM	SPECIFIC ECPR COMMENTS
2) Logical Framework Matrix	<ul style="list-style-type: none"> ■ The EOPs in the project's log frame must be quantified. (Case 14) ■ Clarify the linkage between outputs and purpose/EOPs (Case 14) ■ Consider such additional EOPs indicators as lower food prices, improved water, etc. (Case 14)
3) B/G Request for Assistance	
4) FAA, Section 611 Certifications, if applicable	
(a) Does this project include physical facilities valued at \$1 million or more?	
b) If Yes, a 611(e) Certification that a country will effectively utilize and maintain the results of capital assistance projects is included	
5) Project Analyses	

ITEM	SPECIFIC ECPR COMMENTS
a) Technical	<ul style="list-style-type: none"> ■ Mission should provide a detailed analysis of the constraints to increasing private sector investment, including their order of priority and options for relieving or eliminating them. (Case 1) ■ PP should assess domestic markets for Chad's products. (Case 3) ■ PP should include an assessment of maternal nutrition and health. (Case 4) ■ PP should include an assessment of AIDS risks and women, including how project actions can reduce those risks. (Case 4) ■ PP should provide data on national and regional traffic that justifies additional locomotive. (Case 7) ■ Analysis should consider effects of competition from other transport modes, especially trucking, on demand. (Case 7) ■ Analysis should consider possibility of GOZ failure to implement policy reforms and the implication on the demand for transport. (Case 7) ■ PP should provide an analysis of supply and demand for tertiary bursaries in order justify large amounts budgeted. (Case 8)
b) Financial	

ITEM	SPECIFIC ECPR COMMENTS
<p>I. Project budget covering the project period (LOP).</p>	<ul style="list-style-type: none"> ■ PP should provide separate budgets for evaluation and audit. (Case 9) ■ ECPR questioned whether project could be funded within Missions OYB; mission should prioritize elements of project for early/late funding (Case 11) ■ ECPR question use of MOU; recommends whole project be covered by grant agreement. (Case 13) ■ Annex 1 of grant agreement should reflect cooperative agreement with implementing PVO. (Case 13) ■ Provide a budget for A.I.D. project costs through INIA and show how this relates to overall INIA budget. (Case 14) ■ PP should provide sufficient funds for the various types of goods to be purchased. (Case 17) ■ PP should include mechanism shifting from project to NPA as soon as possible. (Case 17) ■ Eliminate AGPRP resources from the budget (Case 18)

ITEM	SPECIFIC ECPR COMMENTS
<p>ii. Long-term Financial Plan, covering financial sustainability and means for covering recurrent costs after A.I.D.'s financial participation ends.) analysis of future sources of funds, including earned revenues, if applicable</p>	<ul style="list-style-type: none"> ■ Mission should discuss Botswana's human and financial capacity to sustain project activities that stimulate investment and employment after the PACD. (Case 1) ■ Develop targets and measurable annual indicators to monitor and evaluate progress in attaining financial sustainability. (Case 2) ■ PP should discuss prospects for increasing total budget allocations to health over the long-term, from a sustainability perspective. (Case 6) ■ Targets and benchmarks to assure project sustainability must be established over LOP. (Case 10) ■ The PP should include a planned strategy to assure GOZ commitment to agricultural research from the standpoint of financial and institutional support. (Case 10) ■ PP should include a realistic timeframe for continued A.I.D. and other donor support. (Case 10) ■ Mission should consult with RLA on justification and possible downsizing for establishing local currency endowment fund. (Case 10) ■ Mission should ensure that the primary health care services, costs and projected revenue sources are sufficiently clear to permit adequate assessment of the cost recovery strategy. (Case 12) ■ The Boulgou cost recovery study should be examined for replicability and applicability to the proposed scheme. (Case 12) ■ PP should include a health care cost analysis and examine the effect of pharmaceutical cost recovery on financing for the whole sector. (Case 12) ■ A long range plan for DSP financing should be developed and agreed to by appropriate parties. (Case 12) ■ Assess the willingness and capacity of the GOCV to continue the agricultural research effort after the PACD and provide an estimate of the time A.I.D. will be to remain active in this field. (Case 14)

ITEM	SPECIFIC ECPR COMMENTS
	<ul style="list-style-type: none"> ■ Discuss whether the GOCV has the resources to construct and maintain watershed structures without other donor assistance and comment on efforts made to establish user associations. (Case 14) ■ PP should include a full analysis of recurrent costs for ANGAP including prospects for costs being covered by government; other donors, etc. (Case 15) ■ Mission should ascertain the recurrent cost implications of this project to determine whether the GOT/MOPH can sustain the activity given fiscal constraints. (Case 17)
c) Economic	
i. Cost/benefit analysis described	
ii. IRR calculated and shown	<ul style="list-style-type: none"> ■ Analysis should explain why the economic IRR was higher than the financial IRR. (Case 7)
d) Social Soundness	
i. Sociocultural feasibility--can project be carried out as planned in this setting	<ul style="list-style-type: none"> ■ Discuss the highly restrictive land tenure system and its implications for user maintenance of watersheds. (Case 14) ■ PP should take into account the need for different group development strategies according to sociocultural differences in the target population (Case 18) ■ The question of land tenure and the effect of road construction on land tenure should be addressed. (Case 19) ■ Social soundness analysis must discuss degree to which communities will commit time or resources to maintaining/building roads. (Case 19)
ii. Spread effects -- If innovations are included, how will diffusion beyond the project population occur	
iii. Social consequences and benefit incidence -- probable impacts of projects on society and on particular subgroups.	<ul style="list-style-type: none"> ■ PP should identify both winners and losers. (Case 3) ■ Mission should vet question of the impact of EP25 on urbanization with RHUDO. (Case 5) ■ In addition to listed beneficiaries, include traders and transporters as beneficiaries. (Case 19)

ITEM	SPECIFIC ECPR COMMENTS
iv. Discussion regarding minimizing negative impacts on vulnerable groups.	
e) Administrative/Institutional	<ul style="list-style-type: none"> ■ Discuss authority of NRZ to set tariffs and incentive effect of such authority with respect to cutting costs; the provision of good services, etc. (Case 7) ■ Analysis of SONAPHARM's capabilities as well as assessment of other pharmaceutical sources is essential for the PP. (Case 12) ■ PP should include a well prepared institutional analysis of MARA (Case 19)
i. Organization--its type, status (legal and financial) etc.	<ul style="list-style-type: none"> ■ Determine a preliminary organizational framework to be used to accomplish the UDC mission and identify needed resources. (Case 2) ■ PP should resolve with RLA whether new project organization can receive/disburse A.I.D. funds (Case 9) ■ PP should discuss the pros and cons of the institutional approach chosen (ANGAP as a public/private body) (Case 15) ■ If funds are to be channeled through a parastatal, expanded analysis is required (Case 18)
ii. Management--its authority/scope and experience	<ul style="list-style-type: none"> ■ PP design should take account the need for strengthening of certain of the implementing NGOs. (Case 8) ■ PP should examine ways to use conditionality to strengthen ISRA management. (Case 16) ■ Design team should examine ways to strengthen overall ISRA management, not just A.I.D. related component. (Case 16) ■ PP should state where it expects ISRA to be with respect to institutional capacity and recurrent costs by the PACD. (Case 16) ■ PP should carefully define the roles of members of the project management team (Case 18) ■ AID/W questioned the advisability of providing institutional strengthening for the Ministry of Agriculture and Animal Resources (MARA) (Case 19)

ITEM	SPECIFIC ECPR COMMENTS
iii. Staff--adequacy, qualifications and turnover	<ul style="list-style-type: none"> ■ PP Institutional analysis should assess DSP's essential functions and staffing and determine whether or not further savings are possible without undermining essential functions. (Case 12)
f) Environmental (Analysis) or Facesheet from IEE	<ul style="list-style-type: none"> ■ Revise the IEE to request a categorical exclusion for components 2 and 3 (Case 1) ■ For environmentally sensitive industrial sectors, e.g., tanning, environmental T.A. should be provided. (Case 1) ■ PP should include a section on soil management which discusses the prevention of soil degradation and soil fertility maintenance. (Case 10) ■ As part of the IEE, explain how new forestry law, prohibiting farming at higher elevations, will be enforced. (Case 14) ■ A complete environmental assessment must be submitted with the PP. (Case 19)
g) Energy	

ITEM	SPECIFIC ECPR COMMENTS
<p>h) Women In Development (separate or as part of the Social Soundness Analysis)</p>	<ul style="list-style-type: none"> ■ PP should incorporate women into a mainstream rather than separate approach/ component dealing with small and microenterprise. (Case 1) ■ PP should address WID concerns with respect to market information; support services for agribusiness, and market and policy analysis. (Case 3) ■ PP should address WID issue of differential access to health care/services if fees are used. (Case 4) ■ Provide an in-depth explanation of the gender-differentiated constraints and opportunities for small entrepreneurs and how these will be monitored during implementation. (Case 9) ■ Project should include women in planning and implementation and as beneficiaries (Case 11) ■ PP should address WID issues more fully; reference existing studies and show how they are incorporated in design. (Case 13) ■ PP should proposed how WID concerns will be incorporated in peripheral area development (Case 15) ■ PP should proposed how WID concerns will be incorporated in training (Case 15) ■ Mission should ensure that gender considerations are addressed in the research projects, training and in program indicators. (Case 16) ■ PP should devote adequate attention to gender issues. (Case 17) ■ Information covered by monitoring and evaluation plan should be gender disaggregated (Case 18) ■ Social soundness analysis should discuss effect on women of a reduction in the price spread between farm gate and rural markets. (Case 19)
<p>6) Statutory Checklist</p>	
<p>a) Country Checklist</p>	
<p>i. Is a country checklist included</p>	

ITEM	SPECIFIC ECPR COMMENTS
<p>ii. If no, is reference made to a previously submitted country checklist.</p>	
<p>b) Assistance/Standard Item Checklist</p>	<ul style="list-style-type: none"> ■ The PP should resolve potential Section 521/Lautenberg (protection for U.S. exporters) issue for each project component and indicate that agreements that provide funds will not violate these laws. (Case 1) ■ Procurement plan should include Gray Amendment considerations. (Case 3) ■ ECPR questioned proposed support to the Customs and Excise Department of the Ministry of Finance. (Case 5) ■ ECPR questioned work of USAID sponsored advisor, under the project, to the EPPO (Export Office), per FAA Sec. 660. (Case 5) ■ If legislative action is required, mission must provide assurance that it will be taken in a timely manner. (Case 5) ■ Project must comply with the Gray Amendment re 10% of contracts over \$500,000. (Case 5) ■ PP needs to examine projects potential for violating Lautenberg, Bumpers and other statutory requirements that protect U.S. producers (Case 5) ■ Gray amendment concerns should be addressed. (Case 11) ■ Mission should make a "best effort" to use a Gray Amendment firm. (Case 14) ■ Grey amendment must be considered; describe how this will be done for PP implementation contractors (Case 15) ■ PP must address Gray Amendment concerns. (Case 16) ■ PP should address FAA sections 611a and 611c. (Case 19) ■ Gray amendment concerns must be addressed. (Case 19) ■ To the degree project provide greater access to export markets, Bumpers Amendment must be addressed. (Case 19)

Table 16: Percent of ECPR Project Issues That Were Addressed in PAADs

	Schedule A Missions		Schedule B Missions	
	Field Approved	Approved in Washington	Field Approved	Approved in Washington
Programs With Significant Project Components (N=6)	77% (N=4)			100% (N=2)
Programs Without Project Components or With Very Small Project Components (N=3)	31% (N=1)	90% (N=1)		90% (N=1)

Table 17
 Frequency With Which EPCR Guidance on PAIPs Focused On Specific Issues and
 the Percentage of NPAs In Which ECPR Guidance Was Complied With or Otherwise
 Addressed

ITEM	NUMBER OF NPAs FOR WHICH THIS TOPIC WAS RAISED IN ECPR GUIDANCE FOLLOWING PAIP REVIEWS (N=9)	PERCENT OF NPAs FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
2. Program Assistance Approval Document (PAADs)		
a. PAAD face sheet	--	--
b. Action Memorandum for the Mission Director	1	--
c. Executive Summary and Recommendations	--	--
1) Sector summary, including problems to be addressed	--	--
2) Dollar amount of program	--	--
3) Program objectives	--	--
4) Policy reforms expected	1	100%
5) Relationship to World Bank or other policy-related programs	--	--
6) Period of implementation	--	--
7) Linkage to beneficiaries - groups to benefit from program	--	--
8) Program mechanism identified (Check: ___ CIP or ___ Cash Transfer)	--	--
9) Conditions for disbursement	--	--
d. Macroeconomic Framework:		
1) Balance of payments analysis	--	--
2) Fiscal analysis	1	--
3) Discussion of linkages between macro policies/problems and sector policies/problems	--	--
4) Discussion of IMF/Bank-linked Policy Framework Paper	--	--
e. Sectoral Framework, to include:		
1) Description of the sector:	4	100%

ITEM	NUMBER OF NPAs FOR WHICH THIS TOPIC WAS RAISED IN ECPR GUIDANCE FOLLOWING PAIP REVIEWS (N=9)	PERCENT OF NPAs FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
b) Discussion of major policies affecting the sector; i.e. those which are good and those that need to be changed	--	--
2) Role of the sector in the development of country and USAID assistance strategy	--	--
3) A discussion of specific sectoral problems and constraints	2	100%
4) A prioritized listing of constraints in the program sector, identifying those most important to attack	1	--
f. Other Donor Assistance:		
1) Discussion of other donor activities in the area	4	100%
2) For countries eligible for linkage with World Bank's Special Program of Assistance (Burundi, Central African Republic, Gambia, Ghana, Guinea-Bissau, Madagascar, Malawi, Mauritania, Mozambique, Niger, Sao Tome & Principe, Senegal, Tanzania, Togo, Uganda and Zaire): Has linkage been indicated and the nature of the linkage co-financing, parallel financing or coordinated financing) been described?	2	100%
g. Program Description:		
1) Program rationale and major problems:		
a) Description of key sectoral constraints to be addressed by the program	7	86%
b) Discussion of the relationship of the program to the country's overall development effort	--	--



ITEM	NUMBER OF NPAs FOR WHICH THIS TOPIC WAS RAISED IN ECPR GUIDANCE FOLLOWING PAIP REVIEWS (N=9)	PERCENT OF NPAs FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
c) Discussion of the relationship of the program to the mission's overall development program	1	100%
2) Purpose: Describe what is to be achieved at the end of the program, in terms of:		
a) policy outputs	3	67%
b) development impact	6	50%
h. Feasibility Analysis:		
1) Institutional Analysis:		
a) Discussion of institutions selected for implementing the program, including an analysis of their capabilities	8	100%
b) Discussion of the training or TA required to enhance the institutions' management and analytical capability	--	--
2) Social Analysis		
a) Identification and description of the groups to be affected by the program (<u>who</u> will be affected)	2	100%
b) Analysis of the impact on different economic groups (<u>how</u> will they be affected)	3	67%
c) Discussion of measures to alleviate the adverse impact on vulnerable groups	4	50%
d) PAAD addresses gender/women in development issues	7	57%
3) Economic Analysis:		

ITEM	NUMBER OF NPAs FOR WHICH THIS TOPIC WAS RAISED IN ECPR GUIDANCE FOLLOWING PAIP REVIEWS (N=9)	PERCENT OF NPAs FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
a) discussion is provided on whether the program's expected results are worth the program's costs.	--	--
b) Benefit/cost analysis is presented	--	--
c) IRR is calculated/presented	--	--
4) Political Analysis		
a) A discussion of the commitment of the government to the reforms the program supports is provided.	8	75%
b) The political feasibility of implementation is discussed, e.g., the role that "loser" might play in slowing implementation, etc.	7	57%
5) Technical feasibility analysis included	--	--
i. Implementation Arrangements:		
1) Disbursement plan, to include:	--	--
a) Identification of specific benchmarks against which funds are to be disbursed	2	100%
b) Timeline for disbursements	--	--
2) Role of the host country government	1	100%
3) Role of A.I.D.	--	--
4) Discussion of the projectized element, if any, and how it fits into the program	--	--
5) Sustainability addressed (recurrent cost analysis)	1	100%
j. Monitoring and Evaluation:		

ITEM	NUMBER OF NPAs FOR WHICH THIS TOPIC WAS RAISED IN ECPR GUIDANCE FOLLOWING PAIP REVIEWS (N=9)	PERCENT OF NPAs FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
1) M & E Plan included, with provision for baseline data, benchmarks, schedule and methodology	3	67%
2) Provision made for impact analysis, stressing people level indicators	6	67%
k. Financial Management:		
1) Funding authorizations:		
a) First year authorization limited to the amount obligated for that year	--	--
b) Procedures for subsequent years' authorization amendments included	1	100%
2) Dollar disbursement arrangements:		
a) Justification for a cash transfer vs. a CIP included	1	100%
b) Analysis of overall foreign exchange regime included	--	--
c) Discussion of currency controls that protect against capital flight	1	100%
d) Provision for a separate dollar account is indicated, or a waiver of the separate account requirement has been granted/requested [Note: ECPR cable will indicate approval of requests for waivers contained in PAIPs approved in or after FY 1990; separate cable guidance will be provided in response to requests for waivers in the cases of PAIPs approved before FY 1990 for programs to be authorized in FY 1990).	4	100%

ITEM	NUMBER OF NPAs FOR WHICH THIS TOPIC WAS RAISED IN ECPR GUIDANCE FOLLOWING PAIP REVIEWS (N=9)	PERCENT OF NPAs FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
e) Authorized uses of dollar funds (debt service or import financing) indicated	2	100%
f) The host country agency responsible for managing the dollar separate account:		
i. Has been identified	--	--
ii. Capabilities to track and account for program funds have been assessed	2	100%
iii. If applicable, means of strengthening its management capability and the source of funding have been indicated	--	--
iv. Reporting requirements have been specified, to include:		
a) Status reports at least quarterly	--	--
b) Clause included requiring the redeposit of funds applied to a disallowed use	--	--
g) Audit requirements have been stated, to include:	--	--
i. Annual audits in accordance with GAO auditing standards	--	--
ii. Identification of the auditor (independent firm or the host country central auditing agency)	--	--

ITEM	NUMBER OF NPAs FOR WHICH THIS TOPIC WAS RAISED IN ECPR GUIDANCE FOLLOWING PAIP REVIEWS (N=9)	PERCENT OF NPAs FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
iii. Identification of the audit funding source (host country owned local currency, dollars from the program, or PD&S funds) indicated	--	--
iv. A provision providing for full and timely access of the USG to relevant documentation	--	--
h) Discussion of how preference for U.S.- source imports will be addressed	--	--
3) <u>Local Currency Arrangements:</u> <u>For all local currency agreements:</u>		
a) Separate account has been provided for	1	100%
b) Total amount of dollar assistance which will generate local currency specified	--	--
c) Terms and conditions of local currency use specified <u>For agreements effective July 1, 1991 or later unless a waiver of these provisions has been obtained):</u>	2	50%
d) Detailed assessment of appropriate programming alternatives available to the mission included	2	100%
e) Local currency account specifics:		
i. Total amount of dollar assistance which will generate local currency specified	--	--

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ITEM	NUMBER OF NPAs FOR WHICH THIS TOPIC WAS RAISED IN ECPR GUIDANCE FOLLOWING PAIP REVIEWS (N=9)	PERCENT OF NPAs FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
ii. Exchange rate for expressing the dollar amount in local currency terms specified, to include any necessary provision for adjustments in the event of currency fluctuation	--	--
iii. Timing of local currency deposits indicated	--	--
f) Local currency uses consistent with the proposed sector reform program, or an argument for alternative uses included. Uses may be for either budgetary or extrabudgetary purposes. If budgetary, they may be for either general or specific sector support)	1	100%
g) Capability of the host country agency to be responsible for managing the local currency account:		
i. PAAD to contain either a statement to the effect that a formal financial assessment of agency capability is needed, or that based on previous favorable mission experience with the agency in question, an informal assessment will suffice	--	--
ii. If TA to improve agency capability is deemed necessary, funding source local currency associated with the program, or appropriated dollar funds) is indicated	--	--

ITEM	NUMBER OF NPAs FOR WHICH THIS TOPIC WAS RAISED IN ECPR GUIDANCE FOLLOWING PAIP REVIEWS (N=9)	PERCENT OF NPAs FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
h) Provision made for appropriate reporting by the agency responsible for managing the local currency account, including:		
i. specification of format	--	--
ii. requirement that reports be submitted at least quarterly	--	--
iii. allocation of funds by project where applicable)	--	--
iv. indications as to whether performance indicators were achieved	--	--
i) If local currency is to be programmed for specific sector support and monitored by an agency other than the agency responsible for the special account, then:		
i. the agency in question is identified	--	--
ii. the means of sharing monitoring responsibility is described	--	--
j) If local currency is to be programmed for extrabudgetary support, a statement concerning the capability of the host country agency responsible for managing the separate account to perform or arrange for performance of financial assessments of recipient agencies is included	--	--

ITEM	NUMBER OF NPAs FOR WHICH THIS TOPIC WAS RAISED IN ECPR GUIDANCE FOLLOWING PAIP REVIEWS (N=9)	PERCENT OF NPAs FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
k) If the capability of the agency assessed per j above is regarded as uncertain, then a discussion of means to assess that capability (formal or informal) is included	--	--
l) Audit requirements stated:		
i. Provision made for audits of agencies responsible for managing special accounts and of local currency recipient organizations	--	--
ii. Discussion of whether public or private entities will perform the audit included	--	--
iii. Conclusion as to the competency of the audit agency's ability to conduct a professional audit included	--	--
iv. If the host government is to perform the audit, a discussion of its ability to conduct an independent, fair and impartial audit is included	--	--
v. Audit funding source local currency associated with the program, appropriated dollars, or PD&S funds) is indicated	--	--

ITEM	NUMBER OF NPAs FOR WHICH THIS TOPIC WAS RAISED IN ECPR GUIDANCE FOLLOWING PAIP REVIEWS (N=9)	PERCENT OF NPAs FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
vi. Statement included to the effect that the USG reserves audit rights, and that A.I.D. audit rights will not be subordinated or infringed by arrangements for audits by the host country or outside auditors	--	--
4) Financial Planning and Management:		
a) Detailed discussion of disbursement procedures for dollars and local currency included	1	100%
b) Local currency use plan included	--	--
c) If local currencies are to be programmed for budgetary support: budgetary projections included	--	--
i. Conditions, Covenants and Negotiating Status		
1) Conditions and covenants are all stated	10	70%
2) If only the first several years of conditions and covenants are provided, the PAAD makes provision for specifying outyear conditionality at a later time.	1	100%
3) Status of negotiations with host country officials discussed	--	--
m. Miscellaneous:		
1) PAIP approval cable	--	--
2) Host country request for assistance	--	--
3) Log frame	2	100%
n. Annexes	--	--
1) Detailed Social Analysis	--	--

ITEM	NUMBER OF NPAs FOR WHICH THIS TOPIC WAS RAISED IN ECPR GUIDANCE FOLLOWING PAIP REVIEWS (N=9)	PERCENT OF NPAs FOR WHICH AVAILABLE DOCUMENTS INDICATE THAT ECPR GUIDANCE WAS ADDRESSED
2) Detailed Administrative/Institutional Analysis	--	--
3) Detailed Economic Analysis	--	--
4) Detailed Technical Analysis	--	--
5) Detailed Political Analysis	--	--
6) Detailed Financial Analysis	--	--
7) Environmental Analysis or Facesheet from IEE	4	75%
8) Statutory Checklist		
a) Country Checklist		
i. Is a country checklist included	--	--
ii. If no, is reference made to a previously submitted country checklist.	--	--
b) Assistance/Standard Item Checklist	4	100%

Table 18 – Comments Made on Specific Program Assistance Approval Documents (PAADs) in ECPR Cables

ITEM	SPECIFIC ECPR COMMENTS
2. Program Assistance Approval Document (PAADs)	
a. PAAD face sheet	
b. Action Memorandum for the Mission Director	<ul style="list-style-type: none"> ■ Prepare a CN that summarizes the program (Case 23)
c. Executive Summary and Recommendations	
1) Sector summary, including problems to be addressed	<ul style="list-style-type: none"> ■ Define clearly the chosen sector (Case 23) ■ PAAD must strengthen agricultural sector analysis with particular respect to linkages to SAC II effects in the agricultural sector. (Case 27)
2) Dollar amount of program	
3) Program objectives	
4) Policy reforms expected	<ul style="list-style-type: none"> ■ Rank order the constraints, and include a discussion of the informal sector (Case 23)
5) Relationship to World Bank or other policy-related programs	
6) Period of implementation	
7) Linkage to beneficiaries - groups to benefit from program	
8) Program mechanism identified (Check: ___ CIP or ___ Cash Transfer)	
9) Conditions for disbursement	
d. Macroeconomic Framework:	
1) Balance of payments analysis	
2) Fiscal analysis	<ul style="list-style-type: none"> ■ PAAD should include careful revenue projections, especially for the VAT (Case 22)
3) Discussion of linkages between macro policies/problems and sector policies/problems	

ITEM	SPECIFIC ECPR COMMENTS
4) Discussion of IMF/Bank-linked Policy Framework Paper	
e. Sectoral Framework, to include:	
1) Description of the sector:	<ul style="list-style-type: none"> ■ PAAD should describe the financial sector and how its elements interact. (Case 26)
a) Prospects, problems and importance of the sector to growth and development	<ul style="list-style-type: none"> ■ Provide a more complete analysis of correct practices in the protected areas that are detrimental to the environment (Case 24)
b) Discussion of major policies affecting the sector; i.e. those which are good and those that need to be changed	
2) Role of the sector in the development of country and USAID assistance strategy	
3) A discussion of specific sectoral problems and constraints	<ul style="list-style-type: none"> ■ PAAD should discuss problems in the financial sector and how they will affect operations of the GCDB. (Case 26) ■ PAAD should discuss issues affecting the privatization of the GCDB. (Case 26)
4) A prioritized listing of constraints in the program sector, identifying those most important to attack	<ul style="list-style-type: none"> ■ PAAD should rank order constraints (Case 24)
f. Other Donor Assistance:	
1) Discussion of other donor activities in the area	<ul style="list-style-type: none"> ■ Mission should coordinate closely with the IBRD on objectives and means of achieving them. (Case 20) ■ Mission should coordinate closely with the IMF with respect to proposed tax reductions (Case 22) ■ Discuss other donor assistance (Case 23) ■ PAAD should explain how A.I.D. program will fit into multi-donor efforts in the financial sector. (Case 26)

ITEM	SPECIFIC ECPR COMMENTS
<p>2) For countries eligible for linkage with World Bank's Special Program of Assistance (Burundi, Central African Republic, Gambia, Ghana, Guinea-Bissau, Madagascar, Malawi, Mauritania, Mozambique, Niger, Sao Tome & Principe, Senegal, Tanzania, Togo, Uganda and Zaire): Has linkage been indicated and the nature of the linkage (cofinancing, parallel financing or coordinated financing) been described?</p>	<ul style="list-style-type: none"> ■ PAAD should provide for parallel financing (with World Bank) rather than the modified joint financing proposed. (Case 27)
<p>g. Program Description:</p>	
<p>1) Program rationale and major problems:</p>	
<p>a) Description of key sectoral constraints to be addressed by the program</p>	<ul style="list-style-type: none"> ■ Each proposed reform should be discussed in terms of the constraints to private sector development that it will relieve (Case 22) ■ Provide discussion of employment problems in Rwanda (Case 23) ■ Explain how program will generate employment for the urban poor and rural populations (Case 23) ■ Analyze why buffer zones are needed and explain what environmental problems they address. (Case 24) ■ Explain clearly how the substantial criteria for PVO subgrant selection flow from the constraints analysis and help achieve the program purpose. (Case 24) ■ Describe the essential elements of a NEAP -- those elements without which A.I.D. would find a plan unacceptable (Case 24) ■ PAAD should clearly define sectoral issues and changes to be achieved, including a better perspective on cashew and rice producers/consumers, and others who will be affected by change. (Case 27)
<p>b) Discussion of the relationship of the program to the country's overall development effort</p>	
<p>c) Discussion of the relationship of the program to the mission's overall development program</p>	<ul style="list-style-type: none"> ■ Describe type of buffer zone activities that will be carried out using examples from the Development through Conservation (DIC) project and referencing as appropriate the recent DIC evaluation (Case 24)

ITEM	SPECIFIC ECPR COMMENTS
2) Purpose: Describe what is to be achieved at the end of the program, in terms of:	
a) policy outputs	<ul style="list-style-type: none"> ■ A Policy Matrix containing a statement of objectives; an outline of the reforms to be accomplished, priorities and conditionalities linked to disbursements should be provided before completion of the PAAD. (Case 21) ■ PAAD should establish and define a multi-year purpose, instead of a one year purpose for the program. (Case 25) ■ Retain agricultural emphasis rather than shifting to a private sector emphasis in program. (Case 27)
b) development impact	<ul style="list-style-type: none"> ■ Purpose needs to be restated. (Case 20) ■ PAAD should discuss the impact of reforms on specific subsectors, particularly zones (Case 22) ■ PAAD should discuss impact of reforms on the tax base, exports and income (Case 22) ■ Discuss the program's anticipated impacts in general terms. (Case 24) ■ Overall purpose should focus on household level benefits of market liberalization in the grain sector and eliminate reference to the budget deficit. (Case 25) ■ Overall objective/endpoint of the program should be as specified in GOZ 1995 objective for grain sector: "GMB to operate as a commercial organization alongside other market channels." (Case 25)
h. Feasibility Analysis:	
i) Institutional Analysis:	

ITEM	SPECIFIC ECPR COMMENTS
<p>a) Discussion of institutions selected for implementing the program, including an analysis of their capabilities</p>	<ul style="list-style-type: none"> ■ Provide criteria and procedure for PVO subgrant selection (Case 24) ■ Provide a illustrative list of subgrant activities, costed out, at least equal to the amount designated for the PVO element of the program. (Case 24) ■ Examine possibility of involvement of indigenous and international PVOs in the NEAP development process (Case 24) ■ PAAD should justify the use of a PASA, describing the unique, or particular capacity of the agency in question to carry out a technical assistance activity (Case 24) ■ PAAD should discuss nature of the relationship between GCNB and the GOTG (government entity). (Case 26) ■ PAAD should discuss the Gambian Cooperation Union (GCU), specifically safeguards to prevent a return to old practices, GCU calls on the GCDB for farm loans. (Case 26) ■ PAAD should discuss potential competition between the GCU and the GCDB. (Case 26) ■ PAAD should address issue of weak supervision of the GCDB by the Central Bank. (Case 26)
<p>b) Discussion of the training or TA required to enhance the institutions' management and analytical capability</p>	
<p>2) Social Analysis</p>	
<p>a) Identification and description of the groups to be affected by the program (<u>who</u> will be affected)</p>	<ul style="list-style-type: none"> ■ PAAD should explain how local people, including women, will be involved in the design and implementation of the program (Case 21) ■ PAAD should identify which societal groups will benefit from financial restructuring (Case 26)

ITEM	SPECIFIC ECPR COMMENTS
<p>b) Analysis of the impact on different economic groups (<u>how</u> will they be affected)</p>	<ul style="list-style-type: none"> ■ Political analysis should attempt to quantify the impact of the reforms of large estate holders. (Case 21) ■ Describe how program will benefit informal sector and poorer population groups (Case 23) ■ In annexes, provide case studies on how businesses will benefit from reforms (Case 23) ■ PAAD should indicate how program will ensure that SOEs do not obtain preferential allocations of foreign exchange. (Case 23) ■ Discuss potential measures to mitigate the impact on vulnerable groups. (Case 23) ■ Discuss programs risks. (Case 23)
<p>c) Discussion of measures to alleviate the adverse impact on vulnerable groups</p>	<ul style="list-style-type: none"> ■ PAAD should discuss how vulnerable groups will be protected from potential negative impacts of the program. (Case 21) ■ PAAD should explicitly state how vulnerable groups are to be protected from possible negative consequences of reforms (Case 24) ■ PAAD must contain measures that will protect vulnerable groups from negative impacts. (Case 25) ■ PAAD should identify whether members of A.I.D.'s traditional target groups will be adversely affected and measures that will be taken to mitigate this impact. (Case 26)

ITEM	SPECIFIC ECPR COMMENTS
<p>d) PAAD addresses gender/women in development issues</p>	<ul style="list-style-type: none"> ■ PAAD should include requirements that percent of women trained should be equal to percent of women in the sector. (Case 20) ■ Mission should analyze the gender specific impact of proposed reforms part of its effort to prioritize policy conditionality. (Case 21) ■ PAAD should explain how local perspectives on the rural and urban poor, including women, have been taken into account. (Case 23) ■ Analyze gender with respect to public and private sector issues relevant to women's employment in the tourism industry (Case 24) ■ Examine implementation of appropriate performance monitoring and evaluation systems with respect to gender (Case 24) ■ Analyze specific strategies and targets for training in tourism management, services and skills with respect to gender. (Case 24) ■ Examine degradation of the natural resource base and its impact on agricultural activity as well as rights, obligations and constraints in natural resource management with respect to gender differences (Case 24)
<p>3) Economic Analysis:</p>	
<p>a) discussion is provided on whether the program's expected results are worth the program's costs.</p>	
<p>b) Benefit/cost analysis is presented</p>	
<p>c) IRR is calculated/presented</p>	
<p>4) Political Analysis</p>	

ITEM	SPECIFIC ECPR COMMENTS
<p>a) A discussion of the commitment of the government to the reforms the program supports is provided.</p>	<ul style="list-style-type: none"> ■ Analysis supporting the content and timing of specific policy reforms should be negotiated up front with the GOL and the IBRD. (Case 20) ■ Program agreement should premise disbursement on GOM commitment to the broad objective of agricultural liberalization rather than simply on specified reforms. (Case 21) ■ Discuss the political will of the GOM to implement a broad agriculture program; a political analysis for the PAAD needs to measure the GOM's willingness to better the incomes of small holders even if that means a slight reduction in the incomes of large estate holders at least in the near term. (Case 21) ■ The Mission should obtain a letter of intent from the GOM which spells out in some detail its objective for small holders over the LOP. (Case 21) ■ Identify and discuss any contentions issues which put the approval of a NEAP in doubt (Case 24) ■ Re legislative action and FAA 611(A), PAAD needs to state reasons why mission believes that legislative action on the part of the GOV will be accomplished on a timely basis (Case 24) ■ As part of negotiation and program agreement to GOZ should formally commit itself to achieving 1995 objective and to a definition of "commercial" that meets conditions stated in ECPR cable. (Case 25) ■ Identify any legislative action necessary to accomplish the program purpose and explain why mission believes action will be taken on a timely basis. (Case 25)

ITEM	SPECIFIC ECPR COMMENTS
<p>b) The political feasibility of implementation is discussed, e.g., the role that "loser" might play in slowing implementation, etc.</p>	<ul style="list-style-type: none"> ■ The Political analysis of should identify the supporters of reforms within and outside the GOM (Case 21) ■ The Political analysis should suggest what can be done to strengthen the influence of those Malawians that support reform. (Case 21) ■ There should be more discussion of the relationship between the PVO umbrella program and the GOV policy framework; i.e., will continued NGO funding help or constrain the NEAP process? (Case 24) ■ PAAD should discuss whether the GOTG has or will undertake legal action to recover bad loans as well as the cost implications of such action and A.I.D.'s role in this matter. (Case 26)
<p>5) Technical feasibility analysis included</p>	
<p>i. Implementation Arrangements:</p>	
<p>1) Disbursement plan, to include:</p>	
<p>a) Identification of specific benchmarks against which funds are to be disbursed</p>	<ul style="list-style-type: none"> ■ Provide more concrete justification for, or delete, 3rd year disbursement for forest policy reform (Case 24) ■ Design project support component as a first phase to be continued only after an FY94 review and evaluation. (Case 28)
<p>b) Timeline for disbursements</p>	
<p>2) Role of the host country government</p>	<ul style="list-style-type: none"> ■ Modify the host country contribution to have it provided on a pari passu basis with AID program funds. (Case 28)
<p>3) Role of A.I.D.</p>	
<p>4) Discussion of the projectized element, if any, and how it fits into the program</p>	
<p>5) Sustainability addressed (recurrent cost analysis)</p>	<ul style="list-style-type: none"> ■ Clarify political meaning of sustainability for this program. (Case 28)
<p>j. Monitoring and Evaluation:</p>	

ITEM	SPECIFIC ECPR COMMENTS
<p>1) M & E Plan included, with provision for baseline data, benchmarks, schedule and methodology</p>	<ul style="list-style-type: none"> ■ Monitoring and evaluation plan needs more precise economic and institutional indicators (Case 22) ■ M&E system should monitor continued GOR commitment to program reforms (Case 23) ■ Indicators of impact should be measurable using available information to the extent possible. (Case 27)
<p>2) Provision made for impact analysis, stressing people level indicators</p>	<ul style="list-style-type: none"> ■ Impact monitoring should include new salary and benefits packages by gender. (Case 20) ■ PAAD should contain a monitoring and evaluation plan capable of demonstrating the linkage between program activities and the achievement of strategic objectives (Case 21) ■ Monitoring and evaluation plan should contain a more complete description of the target groups and the program's impact on them. (Case 22) ■ Monitoring and evaluation should closely track impact for lower income levels (Case 22) ■ M&E system should track effects beyond immediate businesses to look at impact on poorer groups, e.g., value added, changes in prices, wider availability of goods, etc. (Case 23) ■ Put in place mechanisms to measure parents' participation and satisfaction with schools, i.e., a quantifiable, objective indicator related to parents. (Case 28)
<p>k. Financial Management:</p>	
<p>1) Funding authorizations:</p>	
<p>a) First year authorization limited to the amount obligated for that year</p>	
<p>b) Procedures for subsequent years' authorization amendments included</p>	<ul style="list-style-type: none"> ■ Mission may forego recommendation on multi-year program if the five conditions are fully accepted as CPs for a one year program and are reflected in one-year objectives. (Case 25)
<p>2) Dollar disbursement arrangements:</p>	
<p>a) Justification for a cash transfer vs. a CIP included</p>	<ul style="list-style-type: none"> ■ Provide justification for resources transfer (Case 23)
<p>b) Analysis of overall foreign exchange regime included</p>	

ITEM	SPECIFIC ECPR COMMENTS
c) Discussion of currency controls that protect against capital flight	
d) Provision for a separate dollar account is indicated, or a waiver of the separate account requirement has been granted/requested [Note: ECPR cable will indicate approval of requests for waivers contained in PAIPs approved in or after FY 1990; separate cable guidance will be provided in response to requests for waivers in the cases of PAIPs approved before FY 1990 for programs to be authorized in FY 1990].	<ul style="list-style-type: none"> ■ Mission must address FY1990 dollar tracking requirements for NPA (Case 20) ■ If mission intends to seek a waiver from the requirement for a separate dollar account, it must receive approval before drafting a CN. (Case 21) ■ Describe mechanism for tracking dollars (Case 23) ■ Discuss how the mission will track dollars to foreign exchange uses per the FY87 cash transfer guidance (Case 24)
e) Authorized uses of dollar funds (debt service or import financing) indicated	<ul style="list-style-type: none"> ■ PAAD should include detailed budgeting for TA, commodities and training (Case 23) ■ If adequately strong justification is provided, initial decision not to provide for untied foreign exchange will be reconsidered. (Case 27)
f) The host country agency responsible for managing the dollar separate account:	
i. Has been identified	
ii. Capabilities to track and account for program funds have been assessed	<ul style="list-style-type: none"> ■ Explain grounds for concluding that GOR agency has the capacity to manage the separate account. (Case 23) ■ Discuss the capabilities of the GOU agency which will manage the separate dollar account (Case 24)
iii. If applicable, means of strengthening its management capability and the source of funding have been indicated	
iv. Reporting requirements have been specified, to include:	
a) Status reports at least quarterly	
b) Clause included requiring the redeposit of funds applied to a disallowed use	
g) Audit requirements have been stated, to include:	

ITEM	SPECIFIC ECPR COMMENTS
i. Annual audits in accordance with GAO auditing standards	
ii. Identification of the auditor (independent firm or the host country central auditing agency)	
iii. Identification of the audit funding source (host country owned local currency, dollars from the program, or PD&S funds) indicated	
iv. A provision providing for full and timely access of the USG to relevant documentation	
h) Discussion of how preference for U.S.- source imports will be addressed	
3) Local Currency Arrangements: <u>For all local currency agreements:</u>	
a) Separate account has been provided for	<ul style="list-style-type: none"> ■ Local currency deposits should be tried for 2 years and evaluated prior to continuance. (Case 20)
b) Total amount of dollar assistance which will generate local currency specified	
c) Terms and conditions of local currency use specified <u>For agreements effective July 1, 1991 or later unless a waiver of these provisions has been obtained):</u>	<ul style="list-style-type: none"> ■ New local currency guidance should be taken into account in preparing PAAD (Case 22) ■ If OAR wishes local currencies to be used to support A.I.D. projects that are being phased out, it must have equivalent of A.I.D.'s statutory requirements for local currency spelled out. (Case 27)
d) Detailed assessment of appropriate programming alternatives available to the mission included	<ul style="list-style-type: none"> ■ Consider programming local currency for revenue shortfalls and debt repayment rather than loan guarantee fund. (Case 22) ■ Discuss alternatives to a debt swap, including an endowment (Case 24)
e) Local currency account specifics:	
i. Total amount of dollar assistance which will generate local currency specified	

ITEM	SPECIFIC ECPR COMMENTS
<p>ii. Exchange rate for expressing the dollar amount in local currency terms specified, to include any necessary provision for adjustments in the event of currency fluctuation</p>	
<p>iii. Timing of local currency deposits indicated</p>	
<p>f) Local currency uses consistent with the proposed sector reform program, or an argument for alternative uses included. Uses may be for either budgetary or extrabudgetary purposes. If budgetary, they may be for either general or specific sector support)</p>	<p>■ Mission should reexamine desirability of programming local currency; if plan is retained, PAAD should demonstrate the link between planned local currency uses and support of the program's objectives. (Case 21)</p>
<p>g) Capability of the host country agency to be responsible for managing the local currency account:</p>	
<p>i. PAAD to contain either a statement to the effect that a formal financial assessment of agency capability is needed, or that based on previous favorable mission experience with the agency in question, an informal assessment will suffice</p>	
<p>ii. If TA to improve agency capability is deemed necessary, funding source local currency associated with the program, or appropriated dollar funds) is indicated</p>	
<p>h) Provision made for appropriate reporting by the agency responsible for managing the local currency account, including:</p>	
<p>i. specification of format</p>	
<p>ii. requirement that reports be submitted at least quarterly</p>	
<p>iii. allocation of funds by project where applicable)</p>	
<p>iv. indications as to whether performance indicators were achieved</p>	

ITEM	SPECIFIC ECPR COMMENTS
i. If local currency is to be programmed for specific sector support and monitored by an agency other than the agency responsible for the special account, then:	
i. the agency in question is identified	
ii. the means of sharing monitoring responsibility is described	
j) If local currency is to be programmed for extrabudgetary support, a statement concerning the capability of the host country agency responsible for managing the separate account to perform or arrange for performance of financial assessments of recipient agencies is included	
k) If the capability of the agency assessed per j above is regarded as uncertain, then a discussion of means to assess that capability (formal or informal) is included	
l) Audit requirements stated:	
i. Provision made for audits of agencies responsible for managing special accounts and of local currency recipient organizations	
ii. Discussion of whether public or private entities will perform the audit included	
iii. Conclusion as to the competency of the audit agency's ability to conduct a professional audit included	
iv. If the host government is to perform the audit, a discussion of its ability to conduct an independent, fair and impartial audit is included	
v. Audit funding source local currency associated with the program, appropriated dollars, or PD&S funds) is indicated	

ITEM	SPECIFIC ECPR COMMENTS
vi. Statement included to the effect that the USG reserves audit rights, and that A.I.D. audit rights will not be subordinated or infringed by arrangements for audits by the host country or outside auditors	
4) Financial Planning and Management:	
a) Detailed discussion of disbursement procedures for dollars and local currency included	■ Mission should release grant in 4 rather than 6 tranches. (Case 20)
b) Local currency use plan included	
c) If local currencies are to be programmed for budgetary support: budgetary projections included	
1. Conditions, Covenants and Negotiating Status	

ITEM	SPECIFIC ECPR COMMENTS
<p>1) Conditions and covenants are all stated</p>	<ul style="list-style-type: none"> ■ Increased minimum wage and improved land rents are important to track as indicators of effectiveness but should not be part of conditionality (Case 21) ■ Beef up the conditions for release of 2nd tranche (Case 23) ■ Add covenant under which GOR agrees to establish and maintain an M&E system. (Case 23) ■ PAAD should show how conditionality flows from constraints analysis (Case 24) ■ PAAD should explicitly cite the areas to be covered by conditionality during 1992-95, i.e., after the first year. (Case 25) ■ PAAD should clarify whether all five proposed 1st year steps will be included as conditions precedent or, if not, how they will be addressed subsequently to achieve overall objective. (Case 25) ■ Program Agreement must include the conditions precedent to the disbursement of FY91 funds. (Case 25) ■ The program agreement must show agreement on the five year objective as a CP or covenant. (Case 25) ■ The program agreement must show agreement on the additional indicative steps or areas to be addressed to reach five year objectives. (Case 25) ■ Include as part of conditionality, the sustainability/continuation of the SOB primary education budget. (Case 28)
<p>2) If only the first several years of conditions and covenants are provided, the PAAD makes provision for specifying outyear conditionality at a later time.</p>	<ul style="list-style-type: none"> ■ PAAD should include outyear conditionality, using conditions aimed at influencing farmers' decisions and behavior. (Case 27)
<p>3) Status of negotiations with host country officials discussed</p>	
<p>m. Miscellaneous:</p>	
<p>1) PAIP approval cable</p>	
<p>2) Host country request for assistance</p>	

ITEM	SPECIFIC ECPR COMMENTS
3) Log frame	<ul style="list-style-type: none"> ■ Changes are needed in the EOPs statements, e.g., increases on certain targets. (Case 20) ■ Change goal to read "contribute to growth and employment in the medium term" and purpose to "increase competitiveness in the short run" (Case 23)
n. Annexes	
1) Detailed Social Analysis	
2) Detailed Administrative/Institutional Analysis	
3) Detailed Economic Analysis	
4) Detailed Technical Analysis	
5) Detailed Political Analysis	
6) Detailed Financial Analysis	
7) Environmental Analysis or Facesheet from IEE	<ul style="list-style-type: none"> ■ PAAD should show measures to protect long-term environmental interests from possible negative consequences. (Case 21) ■ The IEE must be completed and approved prior to authorization. (Case 21) ■ IEE should include discussion of long-term effects on the environment. (Case 25) ■ PAAD should include an environmental analysis. (Case 27)
8) Statutory Checklist	
a) Country Checklist	
i. Is a country checklist included	
ii. If no, is reference made to a previously submitted country checklist.	

ITEM	SPECIFIC ECPR COMMENTS
b) Assistance/Standard Item Checklist	<ul style="list-style-type: none"> <li data-bbox="940 155 1955 245">■ Pursuant to the Bumpers Amendment and Sec. 521 (a) and (b), provide an analysis of the impact of conditionality (especially opening burley production to smallholder will have on exports of tobacco) (Case 21) <li data-bbox="940 282 1934 339">■ PAAD needs to identify the 25% host country contribution to this program, unless a waiver is requested from AA/AFR (Case 24) <li data-bbox="940 376 1845 433">■ PAAD should discuss how it will involve Gray amendment firms in program implementation. (Case 24) <li data-bbox="940 470 1566 498">■ PAAD should include statutory checklists. (Case 27)

Table 19: Percent of ECPR Project and Program Issue Address in PPs and PAADs by Geographic Region

	Geographic Divisions Within the Africa Bureau			
	Southern Africa	East Africa	Central and Costal West Africa	Sahel and West Africa
Compliance with ECPR Guidance Concerning Projects	78%	68%	71%	69%
a) Stand Alone Projects (N=19)	(N=6)	(N=3)	(N=6)	(N=4)
b) Project Elements of NPAs (N=6)	100%	100%	100%	100%
	(N=2)	(N=1)	(N=1)	(N=2)
Compliance with ECPR Guidance on NPA Efforts	59%	89%	100%	85%
NPAs (N=9)	(N=3)	(N=2)	(N=1)	(N=3)

Table 20: Percent of ECPR Project and Program Issues Addressed in PPs and PAADs on a Topical Basis^{1/}

	Fields of Project and Program Activity			
	Health and Population	Agriculture, Natural Resources and the Environment	Private Sector	Education
Compliance With ECPR Guidance Concerning Projects	73%	60%	89%	100%
a) Stand Alone Projects (N=17)	(N=6)	(N=6)	(N=4)	(N=1)
b) Project Components of NPAs (N=5)	---	100%	100%	100%
		(N=2)	(N=1)	(N=2)
Compliance with ECPR Guidance on NPA Efforts	---	73%	94%	86%
NPAs (N=8)		(N=4)	(N=2)	(N=2)

¹ Three projects and one program that did not fit into these topical categories were left out of this calculation.

Table 21: Frequency with Which Information Concerning Various Steps in the Approval Process and Process Participants Could Be Found in Documents or through Direct Communication With the Missions^{1/}

	Schedule A Missions				Schedule B Missions				Total	Percent of Total
	Projects		NPA/Programs		Projects		NPA/Programs			
	Field Approved	Approved in Washington	Field Approved	Approved in Washington	Field Approved	Approved in Washington	Field Approved	Approved in Washington		
Number of Cases	11	1	5	1	7	0	0	3	28	
Did a project Committee exist for this project or NPA effort?	4	-	2	-	2			2	10	36%
If a Project Committee existed, was in composed of individuals a mix of skills and concerns?	2	-	2	-	1			2	7	25%
If a Project Committee existed, was in composed of individuals from more than one management unit (e.g., the mission and REDSO, the mission and AID/W, etc.)?	1	-	-	-	1			1	3	11%

^{1/} (Table Shows the Number of Cases for Which Answers to a Range of Questions were Available)

	Schedule A Missions				Schedule B Missions				Total	Percent of Total
	Projects		NPA/Programs		Projects		NPA/Programs			
	Field Approved	Approved in Washington	Field Approved	Approved in Washington	Field Approved	Approved in Washington	Field Approved	Approved in Washington		
Was a PID/PAIP review meeting held?	11	1	5	1	7			3	28	100%
If a PID/PAID review meeting was held, did reviewers come from more than one management unit?	11	1	5	-	7			3	27	96%
Did the project or program documents identify the design team?	5	-	-	-	2			1	8	29%
If the design team was identified, did it consist of individuals with a mix of skills and concerns?	5	-	1	-	3			2	11	39%
If the design team was identified, was in composed of individuals from more than one management unit (e.g., mission and contractors, mission and REDSO, etc.)	5	-	1	-	3			1	10	36%

	Schedule A Missions				Schedule B Missions				Total	Percent of Total
	Projects		NPA/Programs		Projects		NPA/Programs			
	Field Approved	Approved in Washington	Field Approved	Approved in Washington	Field Approved	Approved in Washington	Field Approved	Approved in Washington		
Was a PP/PAAD review meeting held?	6	-	2	1	3			2	14	50%
If a PP/PAAD review meeting was held was there an "issues paper"?	4	-	-	-	3			2	9	32%
If a PP/PAAD review meeting was held, did the reviewers represent a mix of skills and concerns?	4	-	2	-	3			2	11	39%
If a PP/PAAD review meeting was held, did the reviewers come from more than one management unit?	3	-	2	-	2			1	8	29%
Did the project/NPA documents indicate who signed/cleared the PP/PAAD?	11	1	5	1	7			3	28	100%

	Schedule A Missions				Schedule B Missions				Total	Percent of Total
	Projects		NPA/Programs		Projects		NPA/Programs			
	Field Approved	Approved in Washington	Field Approved	Approved in Washington	Field Approved	Approved in Washington	Field Approved	Approved in Washington		
Did those clearing/signing the PP/PAAD represent a mix of skills and concerns?	11	1	5	1	6			3	27	96%
Did those clearing/signing the PP/PAAD represent more than one management unit?	9	-	5	1	3			1	19	68%

ANNEX A

STUDY INSTRUMENT

COMPLIANCE REVIEW FORM

A. BASIC INFORMATION

Country: _____

Region: EA _____ SA _____ Sahel _____ CCWA _____ SWA _____

Schedule A Country _____ Schedule B Country _____ Other _____

Mission Order on Project Approval located: Yes _____ No _____

Mission Order on Non-Project Approval located: Yes _____ No _____

Activity Title: _____

Project Number (if applicable): _____

NPA Number (if applicable): _____

If NPA: Cash Grant _____ CIP _____

Approved in the Field _____ Approved in Washington _____

Approved "Life of Project" Funding Level: _____

Funding Sources: DFA _____ ESF _____ Both _____

Date PP/Non-Project Paper Approved (Month/Year): _____

Sector: _____

B. REVIEWER'S SUMMARY COMMENTS

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C. PROJECT ASSISTANCE

(All Items on the Project Assistance and Non-Project Assistance Checklists, Parts A and B of this form, are to be scored Y or Yes (meaning present or generally yes), N or No (meaning absent or generally no), P or Partial or Can't Tell or N/A, unless otherwise specified. Partial/can't tell should only be used as a "score of last resort" and reviewers should understand that, if possible, such scores will be recoded to yes; no, or N/A in group reviews of the scoring outcomes. Where the answer partial/can't tell is given, an explanatory note must be provided. Notes are neither required nor encouraged when the answer to a question is yes, no or N/A.)

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ITEM	STATUS	NOTES
1. Project Paper (PP) [Body of the PP, excluding annexes, should not exceed 50 pages]		
a. PP Facesheet (Project Data Sheet)		
b. Authorization Materials		
1) Action Memorandum		
a) Waivers, if applicable		
b) Justification to Congress (appropriate reference to Congressional Presentation or date of other Congressional Notification)		
c) Clearances Obtained (List all noted and all visible on Action Memorandum, Project Authorization document, etc.)		
2) Project Authorization		
a) Fiscal Considerations--plan for disbursement in increments, subject to the availability of funds		
b) Delayed obligations--expectations about any substantive matters to be addressed before initial or incremental disbursements		
c) Life of project--expected duration from signature date to end of project		
d) Project Description--consistent with the PP (Consistent Purpose Statement is adequate.)		
e) Conditions and Covenants--consistent with the PP		
c. Project Rationale and Description		
1) Rationale in context of CDSS and recipients own plans. ¹		

¹ Note that Handbook III does not specifically call for a description of the problem the project will address in this PP section.

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ITEM	STATUS	NOTES
2) Discussion of Project Objectives (Goal, Purpose and Outputs)		
3) Project Elements		
a) Inputs		
b) Project sites or units		
c) Project participants and responsibilities for project execution		
d) Project beneficiaries--how they participate and benefit		
e) Participant Training Plan, if applicable		
4) Role of Other Donors and/or relationships to other donor activities		
d. Cost Estimate and Financial Plan		
1) Narrative explanation of cost estimate		
2) Table or chart that summarizes planned expenditures by year		
3) Table or chart that shows project elements or outputs on which funds will be spent		
4) Table or narrative that shows host country contributions		
5) Table or chart (in PP or in annex) showing methods of payment to be used (e.g., direct payment, bank letters of commitment, Federal Reserve letters of credit, etc.)		
e. Implementation Plan		
1) Narrative description		
a) Description of the responsibilities to be assumed by the B/G		
2) Time-phased schedules, (bar charts, etc.)		

ITEM	STATUS	NOTES
3) Procurement plan (types of goods and services, probable sources)		
f. Monitoring Plan		
g. Summaries of Analyses (covering all analyses actually included in the PP)		
h. Conditions and Covenants		
(1) Conditions (One time actions to be taken by the B/G, including "conditions precedent", i.e., those actions to be taken before A.I.D.'s monies are disbursed)		
(2) Covenants (Actions to be taken by the B/G that are continuous in nature and which may not be directly related to project activity)		
i. Evaluation Arrangements		
1) Includes or calls for baseline as well as follow-up data collection		
2) Here or elsewhere in the PP, people-level indicators are identified above the Output level.		
j. Annexes [Annexes to the PP should not exceed 70 pages]		
1) PID Approval Message		
2) Logical Framework Matrix		
3) B/G Request for Assistance		
4) FAA, Section 611 Certifications, if applicable		
[a) Does this project include physical facilities valued at \$1 million or more?		
b) If Yes, a 611(e) Certification that a country will effectively utilize and maintain the results of capital assistance projects is included		

ITEM	STATUS	NOTES
5) Project Analyses		
a) Technical		
b) Financial		
i. Project budget covering the project period (LOP).		
ii. Long-term Financial Plan, covering financial sustainability and means for covering recurrent costs after A.I.D.'s financial participation ends.) analysis of future sources of funds, including earned revenues, if applicable		
c) Economic		
i. Cost/benefit analysis described		
ii. IRR calculated and shown		
d) Social Soundness		
i. Sociocultural feasibility--can project be carried out as planned in this setting		
ii. Spread effects -- if innovations are included, how will diffusion beyond the project population occur		
iii. Social consequences and benefit incidence -- probable impacts of projects on society and on particular subgroups.		
iv. Discussion regarding minimizing negative impacts on vulnerable groups.		
e) Administrative/Institutional		
i. Organization--its type, status (legal and financial) etc.		
ii. Management--its authority/scope and experience		

ITEM	STATUS	NOTES
iii. Staff--adequacy, qualifications and turnover		
f) Environmental (Analysis) or Facesheet from IEE		
g) Energy		
h) Women in Development (separate or as part of the Social Soundness Analysis)		
6) Statutory Checklist		
a) Country Checklist		
i. Is a country checklist included		
ii. If no, is reference made to a previously submitted country checklist.		
b) Assistance/Standard Item Checklist		

D. NON-PROJECT ASSISTANCE

(All Items on the Project Assistance and Non-Project Assistance Checklists, Parts A and B of this form, are to be scored Y or Yes (meaning present or generally yes), N or No (meaning absent or generally no), P or Partial or Can't Tell or N/A, unless otherwise specified. Partial/can't tell should only be used as a "score of last resort" and reviewers should understand that, if possible, such scores will be recoded to yes, no, or N/A in group reviews of the scoring outcomes. Where the answer partial/can't tell is given, an explanatory note must be provided. Notes are neither required nor encouraged when the answer to a question is yes, no or N/A.)

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ITEM	STATUS	NOTES
2. Program Assistance Approval Document (PAADs)		
a. PAAD face sheet		
b. Action Memorandum for the Mission Director		
c. Executive Summary and Recommendations		
1) Sector summary, including problems to be addressed		
2) Dollar amount of program		
3) Program objectives		
4) Policy reforms expected		
5) Relationship to World Bank or other policy-related programs		
6) Period of implementation		
7) Linkage to beneficiaries - groups to benefit from program		
8) Program mechanism identified (Check: ___ CIP or ___ Cash Transfer)		
9) Conditions for disbursement		
d. Macroeconomic Framework:		
1) Balance of payments analysis		
2) Fiscal analysis		
3) Discussion of linkages between macro policies/problems and sector policies/problems		
4) Discussion of IMF/Bank-linked Policy Framework Paper		
e. Sectoral Framework, to include:		
1) Description of the sector:		

ITEM	STATUS	NOTES
a) Prospects, problems and importance of the sector to growth and development		
b) Discussion of major policies affecting the sector; i.e. those which are good and those that need to be changed		
2) Role of the sector in the development of country and USAID assistance strategy		
3) A discussion of specific sectoral problems and constraints		
4) A prioritized listing of constraints in the program sector, identifying those most important to attack		
f. Other Donor Assistance:		
1) Discussion of other donor activities in the area		
2) For countries eligible for linkage with World Bank's Special Program of Assistance (Burundi, Central African Republic, Gambia, Ghana, Guinea-Bissau, Madagascar, Malawi, Mauritania, Mozambique, Niger, Sao Tome & Principe, Senegal, Tanzania, Togo, Uganda and Zaire): Has linkage been indicated and the nature of the linkage (cofinancing, parallel financing or coordinated financing) been described?		
g. Program Description:		
1) Program rationale and major problems:		
a) Description of key sectoral constraints to be addressed by the program		
b) Discussion of the relationship of the program to the country's overall development effort		
c) Discussion of the relationship of the program to the mission's overall development program		
2) Purpose: Describe what is to be achieved at the end of the program, in terms of:		

ITEM	STATUS	NOTES
a) policy outputs		
b) development impact		
h. Feasibility Analysis:		
1) Institutional Analysis:		
a) Discussion of institutions selected for implementing the program, including an analysis of their capabilities		
b) Discussion of the training or TA required to enhance the institutions' management and analytical capability		
2) Social Analysis		
a) Identification and description of the groups to be affected by the program (<u>who</u> will be affected)		
b) Analysis of the impact on different economic groups (<u>how</u> will they be affected)		
c) Discussion of measures to alleviate the adverse impact on vulnerable groups		
d) PAAD addresses gender/women in development issues		
3) Economic Analysis:		
a) discussion is provided on whether the program's expected results are worth the program's costs.		
b) Benefit/cost analysis is presented		
c) IRR is calculated/presented		
4) Political Analysis		
a) A discussion of the commitment of the government to the reforms the program supports is provided.		

ITEM	STATUS	NOTES
b) The political feasibility of implementation is discussed, e.g., the role that "loser" might play in slowing implementation, etc.		
5) Technical feasibility analysis included		
i. Implementation Arrangements:		
1) Disbursement plan, to include:		
a) Identification of specific benchmarks against which funds are to be disbursed		
b) Timeline for disbursements		
2) Role of the host country government		
3) Role of A.I.D.		
4) Discussion of the projectized element, if any, and how it fits into the program		
5) Sustainability addressed (recurrent cost analysis)		
j. Monitoring and Evaluation:		
1) M & E Plan included, with provision for baseline data, benchmarks, schedule and methodology		
2) Provision made for impact analysis, stressing people level indicators		
k. Financial Management:		
1) Funding authorizations:		
a) First year authorization limited to the amount obligated for that year		
b) Procedures for subsequent years' authorization amendments included		
2) Dollar disbursement arrangements:		
a) Justification for a cash transfer vs. a CIP included		

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ITEM	STATUS	NOTES
b) Analysis of overall foreign exchange regime included		
c) Discussion of currency controls that protect against capital flight		
d) Provision for a separate dollar account is indicated, or a waiver of the separate account requirement has been granted/requested [Note: ECPR cable will indicate approval of requests for waivers contained in PAIPs approved in or after FY 1990; separate cable guidance will be provided in response to requests for waivers in the cases of PAIPs approved before FY 1990 for programs to be authorized in FY 1990).		
e) Authorized uses of dollar funds (debt service or import financing) indicated		
f) The host country agency responsible for managing the dollar separate account:		
i. Has been identified		
ii. Capabilities to track and account for program funds have been assessed		
iii. If applicable, means of strengthening its management capability and the source of funding have been indicated		
iv. Reporting requirements have been specified, to include:		
a) Status reports at least quarterly		
b) Clause included requiring the redeposit of funds applied to a disallowed use		
g) Audit requirements have been stated, to include:		

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ITEM	STATUS	NOTES
i. Annual audits in accordance with GAO auditing standards		
ii. Identification of the auditor (independent firm or the host country central auditing agency)		
iii. Identification of the audit funding source (host country owned local currency, dollars from the program, or PD&S funds) indicated		
iv. A provision providing for full and timely access of the USG to relevant documentation		
h) Discussion of how preference for U.S. source imports will be addressed		
3) Local Currency Arrangements: <u>For all local currency agreements:</u>		
a) Separate account has been provided for		
b) Total amount of dollar assistance which will generate local currency specified		
c) Terms and conditions of local currency use specified <u>For agreements effective July 1, 1991 or later unless a waiver of these provisions has been obtained:</u>		
d) Detailed assessment of appropriate programming alternatives available to the mission included		
e) Local currency account specifics:		
i. Total amount of dollar assistance which will generate local currency specified		
ii. Exchange rate for expressing the dollar amount in local currency terms specified, to include any necessary provision for adjustments in the event of currency fluctuation		
iii. Timing of local currency deposits indicated		

ITEM	STATUS	NOTES
f) Local currency uses consistent with the proposed sector reform program, or an argument for alternative uses included. Uses may be for either budgetary or extrabudgetary purposes. If budgetary, they may be for either general or specific sector support)		
g) Capability of the host country agency to be responsible for managing the local currency account:		
i. PAAD to contain either a statement to the effect that a formal financial assessment of agency capability is needed, or that based on previous favorable mission experience with the agency in question, an informal assessment will suffice		
ii. If TA to improve agency capability is deemed necessary, funding source local currency associated with the program, or appropriated dollar funds) is indicated		
h) Provision made for appropriate reporting by the agency responsible for managing the local currency account, including:		
i. specification of format		
ii. requirement that reports be submitted at least quarterly		
iii. allocation of funds by project where applicable)		
iv. indications as to whether performance indicators were achieved		
i. If local currency is to be programmed for specific sector support and monitored by an agency other than the agency responsible for the special account, then:		
i. the agency in question is identified		

ITEM	STATUS	NOTES
ii. the means of sharing monitoring responsibility is described		
j) If local currency is to be programmed for extrabudgetary support, a statement concerning the capability of the host country agency responsible for managing the separate account to perform or arrange for performance of financial assessments of recipient agencies is included		
k) If the capability of the agency assessed per j above is regarded as uncertain, then a discussion of means to assess that capability (formal or informal) is included		
l) Audit requirements stated:		
i. Provision made for audits of agencies responsible for managing special accounts and of local currency recipient organizations		
ii. Discussion of whether public or private entities will perform the audit included		
iii. Conclusion as to the competency of the audit agency's ability to conduct a professional audit included		
iv. If the host government is to perform the audit, a discussion of its ability to conduct an independent, fair and impartial audit is included		
v. Audit funding source local currency associated with the program, appropriated dollars, or PD&S funds) is indicated		
vi. Statement included to the effect that the USG reserves audit rights, and that A.I.D. audit rights will not be subordinated or infringed by arrangements for audits by the host country or outside auditors		
4) Financial Planning and Management:		

ITEM	STATUS	NOTES
a) Detailed discussion of disbursement procedures for dollars and local currency included		
b) Local currency use plan included		
c) If local currencies are to be programmed for budgetary support: budgetary projections included		
l. Conditions, Covenants and Negotiating Status		
1) Conditions and covenants are all stated		
2) If only the first several years of conditions and covenants are provided, the PAAD makes provision for specifying outyear conditionality at a later time.		
3) Status of negotiations with host country officials discussed		
m. Miscellaneous:		
1) PAIP approval cable		
2) Host country request for assistance		
3) Log frame		
n. Annexes		
1) Detailed Social Analysis		
2) Detailed Administrative/Institutional Analysis		
3) Detailed Economic Analysis		
4) Detailed Technical Analysis		
5) Detailed Political Analysis		
6) Detailed Financial Analysis		
7) Environmental Analysis or Facesheet from IEE		
8) Statutory Checklist		

ITEM	STATUS	NOTES
a) Country Checklist		
i. Is a country checklist included		
ii. If no, is reference made to a previously submitted country checklist.		
b) Assistance/Standard Item Checklist		

E. COMPLIANCE WITH PID/PAIP APPROVAL GUIDANCE

Issues which are linked to PP/PAAD Sections Identified in Parts B and C should be described using the alpha/numeric code given them in these parts of the review form, e.g., B.2.e = the PP's implementation plan. A brief description of the issues raised concerning a PP/PAAD section should also be provided.) Issues which do not deal with PP/PAAD or PROAG sections that have been given alpha/numeric codes should be briefly described.

In scoring Section D, all issues/concerns are to be scored Y or Yes meaning present or generally yes), N or No meaning absent or generally no), P or Partial or Can't Tell or N/A, unless otherwise specified. Partial/can't tell should only be used as a "score of last resort" and reviewers should understand that, if possible, such scores will be recoded to yes, no, or N/A in group reviews of the scoring outcomes. Where the answer partial/can't tell is given, an explanatory note must be provided. Notes are neither required nor encouraged when the answer to a question is yes, no or N/A.)

Issues Identified in the Approval Guidance	Guidance is Reflected in the PP/PAAD	Item Reference Code	Notes

F. PP/PAAD REVIEW/APPROVAL PROCESS

After each question appear the codes D for documents) and P for phone). Circle which of these sources provided the answer given to each question below.)

1. Did a Project Committee exist for this project/non-project effort? **D or P**

_____ Yes _____ No

2. If a Project Committee existed, what skills/functions were represented Check all applicable skills/functions: **D or P**

	POSTS		
	Mission	REDSO	AID/W
_____ Technical	_____	_____	_____
_____ Legal	_____	_____	_____
_____ Engineering	_____	_____	_____
_____ Environment	_____	_____	_____
_____ Procurement/Contracts	_____	_____	_____
_____ Controller	_____	_____	_____
_____ Economist	_____	_____	_____
_____ Program	_____	_____	_____
_____ Project Development	_____	_____	_____
_____ Other	_____	_____	_____

3. Was the PID/PAIP for this project approved in the field? **D or P**

_____ Yes _____ No

4. Was a PID/PAIP review meeting was held? **D or P**

_____ Yes _____ No

5. What organizational units participated in the PID/PAIP review? **D or P**

- Mission
- REDSO
- AFR/PD
- AFR/TR
- Other AFR
- GC
- Other AID/W

6. Does the documentation identify the skills/functions represented on the project/non-project design team?

Yes No

7. If the project design team's skills/functions can be identified, which skills/functions were identified? **D or P**

POSTS

	Mission	REDSO	AID/W	Other
<input type="checkbox"/> Technical	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Engineering	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Economist	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Project Development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Financial/Contracts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Sociology or Anthropology	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> WID Specialist	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Institutional Development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Legal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Monitoring and Evaluation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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8. Was a PP/PAAD review meeting held? **D or P**

_____ Yes _____ No

9. If a PP/PAAD review meeting was held, was there an "issues paper"? **D or P**

_____ Yes _____ No

10. If a PP/PAAD review meeting was held, what skills/functions were represented Check all applicable skills/functions: **D or P**

a) A.I.D. Organizational Units Involved

_____ Mission

_____ REDSO

_____ AID/W

b) Topical Skills

	POSTS		
	Mission	REDSO	AID/W
_____ Technical	_____	_____	_____
_____ Legal	_____	_____	_____
_____ Engineering	_____	_____	_____
_____ Environment	_____	_____	_____
_____ Procurement/Contracts	_____	_____	_____
_____ Controller	_____	_____	_____
_____ Economist	_____	_____	_____
_____ Program	_____	_____	_____
_____ Project Development	_____	_____	_____
_____ Other	_____	_____	_____

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11. Do the documents indicate who cleared/signed the PP/PAAD?

_____ Yes _____ No

12. If clearances and signatures on the PP/PAAD approval package are available, what skills functions participated?

a) A.I.D. Organizational Units

_____ Mission

_____ REDSO

_____ AID/W

b) Topical Skills

		POSTS		
		Mission	REDSO	AID/W
_____	Director of Mission or Office	_____	_____	_____
_____	Technical	_____	X	_____
_____	Legal	_____	_____	_____
_____	Engineering	_____	_____	_____
_____	Environment	_____	_____	_____
_____	Procurement/Contracts	_____	_____	_____
_____	Controller	_____	_____	_____
_____	Economist	_____	_____	_____
_____	Program	_____	_____	_____
_____	Project Development (PO)	_____	_____	_____
_____	Other	_____	_____	_____