

CONTRACT/AGREEMENT DATA SHEET

1. M/SER/AAM/A/SUP Action Monitor

USAID/Dhaka

2. Date PIO/T Received in M/SER/AAM/A/SUP

COMPLETE EACH BLOCK FOR BOTH NEW ASSISTANCE/ACQUISITION AND MODIFICATION ACTIONS

3. Contract/Agreement/Number

388-0072-A-00-8104-00

4. Contractor/Recipient Name

PRIVATE AGENCIES COLLABORATING TOGETHER (PACT)

5. Contractor Acronym

PACT

6. Project Title

PRIVATE RURAL INITIATIVES PROJECT

7. Project Number

388-0072

8. Project Officer's Name

F. Young

9. Bureau or USAID Symbol

USAID/Bangladesh

10. PIO/T Number

388-0072-3-80053

21. Budget Plan Code

QDSA-88-27388-KG13  
QDEA-88-27388-KG13

11. TYPE OF ACTION

- A. New Acquisition/Assistance
- B. Amendment/Modification
  - 1. New/Revised Scope
  - 2. Funded Extension
  - 3. No Cost Extension
  - 4. Transfer of action from AID/W to Mission/Mission to AID/W
  - 5. Incremental Funding
  - 6. Overhead Rate Adjustment
  - 7. Contract Closeout
  - 8. Other

A

22. Country or Region of Performance

Bangladesh

23. A. This Action Increases or Decreases TEC by

\$ ~~5,000,000~~ 8,000,000

B. Total Estimated Cost of Contractual Document

\$ 5,000,000

24. Amount of Non-Federal Funds Pledged to the Project

0

C.FPR or FAR

FAR

12. Amount of this PIO/T

U.S. \$ 800,000

25. Effective Date of this Action

8/31/88

13. Amount  Obligated  Subobligated  Deobligated by this Contract or Amendment

U.S. \$ 800,000

26. Estimated Completion/Expiration Date

8/30/93

14. Cumulative Obligation (Life of Contract)

U.S. \$ 800,000

27. Contractor DUNS Number

-

15. This Action Funded Through

8/30/93

28. Consultant Type Award

YES  NO

16. Date Contractual Documents Signed by AID Official

8/30/88

29. Number of Person Months (PASA/RSSA only)

N/A

17. Incrementally Funded Contracts

YES  NO

30. Number of Persons (PASA/RSSA only)

N/A

18. Host Country/Counterpart Institution (University Contracts)

N/A

31. CONTRACT TYPE

- A. Fixed Price (specify):  FFP  FPRD  FPEPA  FPII
- B. Cost Reimbursement (specify):  CR  CPFF  CS  CPAF  CPIF
- C. IQC and Requirements Contracts
- D. Grant/CA/PASA/RSSA
- E. Contracts with Individuals

D

19. Campus Coordinator (University Contracts)

N/A

ENTERED NOV 16 1988 COORS SECTION B

20. ADVANCE

- A. No Advance
- B. Advance Non-FRLC
- C. Advance FRLC

32. Negotiator's Typed Name

33. Negotiator's Signature

34. Date Signed

35. Contract/Grant Officer's Organization Symbol

MICHAEL F. WALSH

36. Contract/Grant Officer's Signature

M. F. Walsh

37. Date Signed

10/17/88

38. SUBJECT TO STATUTORY REQUIREMENT

- A. Walsh-Healey Act, Manufacturer\*
- B. Walsh-Healey Act, Regular Dealer\*
- C. Service Contract Act  
(U.S. ONLY - Guards, Maintenance, Laborers)
- D. Davis-Bacon Act (Construction)
- E. Not subject to Walsh-Bacon Act  
(Most AID Contracts)

E

46. LABOR SURPLUS AREA PREFERENCE

- Labor Surplus Area
- A. No Preference
- B. Tie Bid Preference
- C. Total Set Aside
- D. Not a Labor Surplus Area Preference Award

D

\*Equipment, Supplies, Materials, and Commodities

39. Country of Manufacture

MA

47. TYPE OF BUSINESS

- A. Source: Non-U.S. and Used Outside U.S. & Possessions
- B. Source: Non-U.S. and Possessions  
(Foreign Purchases Used Inside U.S.)  
(If U.S. Source, complete C through Q)
- C. Firm - Profit Making & PSC's
- Non-Profit Organizations
- D. Private Educational Organizations
- E. Hospitals
- F. Research Institutions, Foundations, and Laboratories
- G. Other
- Private Voluntary Organizations
- H. U.S. Registered
- I. U.S. Non-Registered
- J. Foreign
- State/Local Government
- K. Educational Institutions
- L. Hospitals
- M. Research Organizations
- N. Other
- O. International Agricultural Research Organizations
- P. Public International Organizations
- Q. U.S. Cooperatives

H

40. CURRENCY INDICATOR

- A. U.S. Dollar
- B. Local Currency
- C. Combination
- D. Unfunded

A

41. SUBCONTRACTS

Is there a provision for a subcontract? (Contracts only)

YES  NO

42. TYPE OF SERVICE

- A. Training of Participants
- B. Technical Assistance to Host Country  
(Program, Project related except A&E Services)
- C. A&E Services
- D. Construction
- E. Research
- F. Technical Services to AID  
(other than training; usually operating expense)
- G. Training Service for AID
- H. Equipment, Materials, Supplies, Commodities
- I. Translation Service

B

43. CONTRACT/AGREEMENT SOURCE

- A. U.S. Contractor/Grantee
- B. Non-U.S. Contractor/Grantee
- C. Combination of A & B

A

48. Women Owned Business?

YES  NO

44. TYPE OF AMERICAN OWNERSHIP

(U.S. Persons or Firms Only)

- Minority
- A. Asian/Pacific Islander
- B. Black American
- C. American Aleuts or Eskimos
- D. American Indian
- E. Hispanic
- G. Non-Minority

G

49. TYPE OF AWARD

- Small Business
- A. Not Set Aside
- B. Partial Set Aside
- C. Total Set Aside
- Other Than Small Business
- D. Personal Service Contract
- E. Individual Non-Personal Service Contract
- F. U.S. Government
- G. University
- H. Non-Profit Organizations and PVOs
- I. Large Businesses

H

45. METHOD OF SOLICITATION

- A. Sealed Bid
- B. Competitive Proposal
- C. Combination/Competition
- D. Other Competition
- E. Noncompetitive

E

50. Paying Office:

Payment will be made by

CONTROLLER  
USAID/Bangladesh

<b>51. SYNOPSIS PRIOR TO AWARD</b>  A. Synopsized prior to awards B. Not synopsized due to emergency C. Not synopsized for other reasons	<input type="checkbox"/> e	<b>54. APPLICABILITY OF COMPETITION IN CONTRACT ACT (CICA)</b>  1. Pre-CICA 2. Post-CICA	N/A <input type="checkbox"/> B
<b>52. COMPETITIVE SOLICITATION PROCEDURES</b>  A. Normal full and open competition * B. Architect - Engineer C. Basic Research Proposal D. Multiple Award Schedule E. Alternate Source - Reduced Cost F. Alternate Source - Mobilization G. Alternate Source - Engineering/R&D Capability H. Small Business Set-Aside I. Labor Surplus Area Set-Aside J. LSA/Small Business Set-Aside K. Other than full and open competition L. Small Purchases M. R(i) Program N. Otherwise authorized by statute *If, 'A', block 57 must be completed	<input type="checkbox"/> P	<b>55. AUTHORITY FOR OTHER THAN FULL &amp; OPEN COMPETITION</b>  A. Unique Source B. Follow-on Contract C. Unsolicited Research Proposal D. Patent/Data Rights E. Utilities F. Standardization G. Only One Source - Other H. Urgency I. Mobilization J. Essential R&D Capability K. International Agreement L. Authorized by Statute * M. Authorized Resale N. National Security O. Public Interest *If 'M', block 56 must be completed	<input type="checkbox"/> M
<b>53. NUMBER OF OFFERORS</b>  1. Only one offeror 2. More than one offeror	<input type="checkbox"/> 1	<b>56. SPECIAL AUTHORITY FOR NON-COMPETITIVE ACTIONS</b> <i>(Impairment of Foreign AID Programs) Authorized Under AIDAR Sec. 706.302.70(b)(3)</i>  1. PSC's Awarded Under Sec. 636(a)(3) 2. An Award of \$100,000 or Less by an Overseas Contracting Activity 3. Written Determination by Assistant Administrator or Administrator 4. None of the above.	<input type="checkbox"/> 4
		<b>57. SPECIAL SELECTION PROCEDURES</b>  1. University Selection Procedures 2. Collaborative Assistance Procedures 3. None of the above	<input type="checkbox"/> 3

UNITED STATES OF AMERICA  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
Dhaka, Bangladesh

August 31, 1988 .

Thomas R. Byrne  
Executive Director  
Private Agencies Collaborating  
Together (PACT)  
777 United Nations Plaza  
New York, N.Y. 110017

Subject: Cooperative Agreement No. 380-0072-A-00-8104-00

Dear Mr. Byrne:

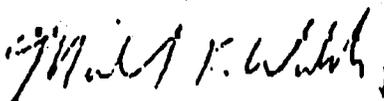
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to Private Agencies Collaborating Together (hereinafter referred to as "PACT" or "Recipient"), the sum of \$5,000,000 (five million dollars) to provide support for a Private Rural Initiatives Project (PRIP), as described in the Schedule and the Program Description of this Cooperative Agreement.

This Cooperative Agreement is effective and obligation is made as of August 31, 1988, and shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning with the effective date and ending August 30, 1993.

This cooperative agreement is made to PACT, on condition that the funds will be administered in accordance with the terms and conditions set forth in Attachment 1, entitled "Schedule," Attachment 2, entitled "Program Description," Attachment 3, entitled "Proposal for Private Rural Initiatives Project in Bangladesh," and Attachment 4 entitled "Standard Provisions," which have been agreed to by your organization.

Please sign the original and two copies of this letter to acknowledge your receipt of the cooperative agreement, and return the original and one copy to my office.

Sincerely,



Michael F. Walsh  
Grant Officer  
USAID/Dhaka

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Attachments:

- 1. Schedule
- 2. Program Description
- 3. Proposal for Private Rural Initiatives  
Project in Bangladesh
- 4. Standard Provisions

ACKNOWLEDGED:

BY: *[Signature]*

TITLE: Executive Director

DATE: August 30, 1988

FISCAL DATA

Appropriation : 72-1181021  
Budget Plan Code : QDSA-88-27388-KG13 \$500,000.  
QDEA #8 27388 KG13 \$300,000.  
PIO/T No. : 388 0072 3 00000  
Project No. : 388-0072 388 0072 - A - 00 - 81046  
Total Estimated Amount: \$5,000,000  
Total Obligated Amount: \$800,000

FUNDS AVAILABLE

*[Signature]*  
Initials Date

Financial Management Paying Office:  
Project Office:  
Grant Administration Office:

Controller, USAID/Dhaka  
Washington, D.C. 20523  
Regional Office,  
USAID/Dhaka  
Michael F. Walsh,  
USAID/Dhaka

ATTACHMENT 1

SCHEDULE

A. Purpose of Cooperative Agreement

The purpose of this Cooperative Agreement is to provide support for the Private Rural Initiatives Project (PRIP), as more specifically described in Attachments 2 and 3 to this Cooperative Agreement entitled "Program Description" and "Proposal for Private Rural Initiatives Project in Bangladesh," respectively.

B. Period of Cooperative Agreement

1. The effective date of this Cooperative Agreement is August 31, 1988. The expiration date of this Cooperative Agreement is August 30, 1993.

2. Funds obligated hereunder are available for program expenditures for the estimated period from August 31, 1988 to July 31, 1989 as shown in Item D, "Financial Plan," below.

C. Method of Payment and Amount of Cooperative Agreement

1. The total estimated amount of this Grant for the period shown in B.1 above is \$5,000,000 (Five Million Dollars).

2. AID hereby obligates the amount of \$800,000 (Eight hundred thousand dollars) for program expenditures during the period set forth in B.2. above and as shown in D below.

3. Payment shall be made to the Recipient in accordance with procedures set forth in Attachment 4, Optional Standard Provision No. 2., entitled "Payment - Periodic Advance."

4. Additional funds up to the total amount of the cooperative agreement shown in C.1. above may be obligated by AID subject to the availability of funds, and to the requirements of the Standard Provision of the Cooperative Agreement, entitled "Revision of Financial Plans".

D. Financial Plan

The following is the Financial Plan for this Cooperative Agreement. Revisions to this Plan shall be made in accordance with the Standard Provision of this Cooperative Agreement, entitled "Revision of Financial Plans."

Cost Element	Obligated <u>Amount</u>	Estimated <u>Additional</u>	Total <u>Estimated</u>
1. Salaries & Wages	\$170,900	\$ 779,888	\$ 950,788
2. Technical Assistance	125,000	280,000	405,000
4. International Travel	12,850	57,331	70,181
5. Partner Coordination	12,000	50,250	62,250
6. Local Operating Costs	60,500	163,044	223,544
7. Program Costs	306,050	2,277,723	2,583,773
8. Overhead	<u>112,700</u>	<u>591,764</u>	<u>704,464</u>
Total \$	\$800,000	\$4,200,000	\$5,000,000

E. Reporting and Evaluation

1. Reporting Requirements

As described in Attachment 2, Item c.3.e.2, entitled "Periodic Reports," the following reports will be submitted by the Recipient:

- Semi-annual - to be submitted to the Project Office;
- Quarterly Financial Report - to be submitted to the USAID Controller's Office;
- Annual, audited financial reports prepared by a Certified Public Accounting Firm - to be submitted to the Project Office;

2. Evaluations

USAID, the Recipient and its consortium members will conduct joint evaluations using the services of a mutually acceptable third party. These evaluations will be done to review the first 18 months of the project and its achievements near completion. The initial evaluation will be made against the quantitative and qualitative indicators listed in Attachment 2, Items c.4 and c.5.

F. Special Provisions

Standard Provisions are included in this Cooperative Agreement as Attachment 4. The Standard Provisions are divided into "mandatory" and "optional" categories.

The following Standard Provisions are inapplicable to this Cooperative Agreement:

- Negotiated Indirect Cost Rates - Predetermined
- Voluntary Population Planning
- Title to and Care of Property (U.S. Government Title)
- Title to and Care of Property (Cooperating Country Title)
- Cost Sharing (Matching)

G. Overhead Rate

Pursuant to the provisions of the clause of the Standard Provisions of this Cooperative Agreement entitled "Negotiated Overhead Rate - Provisional," a rate will be established for each of the Recipient's accounting periods during the term of the Cooperative Agreement. Pending establishment of final overhead rates, provisional payments will be made on allowable negotiated provisional rates applied to the base indicated below:

<u>Type</u>	<u>Effective Period</u>	<u>Overhead Rate</u>
Provisional	7/1/87 Until Amended	16.4%

The base of application of this overhead rate is total direct costs and the first \$25,000 of each subgrant or sub-contract. This base also excludes Apple-in-kind Grants.

Changes in the indirect rate will be incorporated into the Cooperative Agreement through formal amendment.

H. Title to Property

Title to property financed under this Agreement will vest in the Recipient pursuant to the Standard Provision entitled "Title to and Care of Property, Grantee Title."

I. Authorized Geographic Code (If applicable)

The authorized AID geographic code for procurement of goods and services under this Agreement is AID Code 941 and Bangladesh.

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J. Cost Principles

The cost principles applicable to this Agreement are those in OMB Circular A-122, entitled, "Cost Principles for Non-Profit Organizations."

L. Substantial Involvement Understandings

1. Key Personnel

The Project Coordinator is considered "key personnel" and as such will require prior approval by USAID/Dhaka. The Recipient will not change the Project Coordinator without USAID/Dhaka prior approval. The qualifications of this individual are described in Attachment 2, Item C.2, entitled "Composition/Qualifications of Team."

2. Reporting Requirements

Refer to Item E above and Attachment 2, Item C.3.e.2, entitled "Periodic Reports."

3. Funding Approval

a. The procedures for obtaining USAID approval of subgrants are described in Attachment 2, Item C.3.e.1, entitled "Funding Approvals."

b. Sub-grantees will be responsible for clearing budgets and activities under this Cooperative Agreement through all necessary BDG channels.

c. Before providing assistance to any organization to support activities directly affecting the environment, the Recipient will develop procedures, consistent with AID Regulation 16 and its requirements, for reviewing, analyzing and addressing environmental concerns. PACT will obtain USAID's concurrence on these procedures before any funding for environmentally significant activities is approved.

d. The recipient will obtain AID's prior approval of any activity proposed for financing related to growth or production of agricultural products or manufacture of textiles, garments, leather products, etc., for export.

4. Evaluations

Refer to Item E above and Attachment 2, Item C.3., entitled "Evaluation."

5. Extension

If the majority of the benchmarks described in Attachment 2, Item C.4. ("Quantitative Indicators - 18 months") and C.5. ("Qualitative Indicators - 18 months") have been achieved, and the evaluation determines that the project is viable, the cooperative agreement will be continued. This is further described in Attachment 2, Item C.6. entitled, "Basis for Extension into Phase II."

6. Population Activities

The Recipient will not undertake population activities or support such activities under this Agreement.

## ATTACHMENT 2

### Program Description Private Rural Initiatives Project

#### A. BACKGROUND

For the last three years, the U.S. Agency for International Development Mission to Bangladesh (USAID/Bangladesh) has been looking for a mechanism to enable it to provide timely support to private, non-profit, organizations (NGOs) involved in grass-roots development work in Bangladesh. In June 1987 the Mission approved the Private Rural Initiatives Project (PRIP) Identification Document and began to solicit expressions of interest from various U.S. PVOs to implement PRIP via a Cooperative Agreement (CA). By December 1987, most of the most promising potential U.S. PVOs had joined a consortium, led by Private Agencies Cooperating Together (PACT), and submitted a joint proposal for a five-year Operational Program Grant (OPG). A technically and administratively acceptable proposal was submitted in August 1988.

#### B. OBJECTIVE

The Recipient, PACT, will implement a phased Private Rural Initiatives Project (PRIP).

#### C. PROGRAM DESCRIPTION

1. The technical and management approaches of PACT is described in Attachment 3, "Proposal for a Private Rural Initiatives Project in Bangladesh," which is incorporated into this Cooperative Agreement.

#### 2. Composition/Qualifications of Team

PACT will hire a Project Coordinator, to be resident in Dhaka, and will set up an office in Dhaka including a full-time accountant/trainer, a senior Bangladeshi Associate Director, an administrative secretary, and various consultants and additional staff as deemed necessary.

The Project Coordinator is considered "key personnel" and must be approved by USAID. PACT will not change the Project Coordinator without Mission approval. The Project Coordinator will be a senior professional with extensive experience in Asia with PVOs and strategic planning; the range of his/her experience should cover both international and small/local PVOs. S/he will be field-oriented but demonstrate aptitude in dealing with the paperwork requirements of large international donor agencies. S/he will also demonstrate aptitude in performing coordinating/networking services for other, more operations-oriented PVOs.

The Associate Director will be a senior Bangladeshi with extensive experience in Asia with PVOs, appointed by the Project Coordinator. If the Project Coordinator does not have extensive experience with Women in Development issues and projects, the Associate Director will. The Associate Director will be well-respected and have extensive contacts in the Bangladeshi PVO community. S/he will have demonstrated capacity in training and evaluation.

Between the Associate Director and the Project Coordinator, the resident PRIP team will have demonstrated capacity in

- strategic planning,
- networking to increase PVO community's regional/national impact,
- research and project implementation relating to Women in Development,
- participatory training,
- evaluation,
- administration of programs requiring extensive reporting and interface with foreign and host-country governments, and
- working with a broad range of PVOs in Bangladesh, both large and small.

The Project Coordinator will identify a senior accountant with strong training skills who will work closely with sub-grantees and with the project as a whole to ensure adherence to AID's accounting and monitoring requirements. This accountant will be experienced in both Bangladeshi and U.S. generally accepted accounting procedures.

PACT-NY will provide administrative and management back-up to the project and will be accountable to USAID/Dhaka for project implementation. The major contact person will be Jacob Pfohl, the Associate Director for Program Services. PACT-NY staffing must be maintained at an adequate level to ensure backstopping functions assigned to PACT-NY in the attached proposal are carried out in an expeditious manner.

### 3. Reporting Requirements

#### a. Regular reporting is required to:

1. ensure the responsible management of grant and sub-grant funds;
2. promote a partnership relationship with the implementing agency; and
3. encourage recipient agencies to more systematically review progress and incorporate "lessons learned" into future activities.

#### b. PACT will require two types of reports for each sub-grant/contract from all sub-grantees/contractors:

##### Financial:

- quarterly reporting on the use of grant funds and
- annual audits by a qualified accountant, attesting to the receipt and use of grant funds

##### Narrative:

- semi-annual reporting on the monitoring of activities, including information on the assessment of progress and the analysis of results.

c. PACT's accountability to AID is a function of its role as the intermediary organization between USAID and PRIP-funded US PVOs, local PVOs, and other resource institutions.

d. Appendices E, I, J, and K to the attached proposal provides information on existing PACT procedures to ensure financial and programmatic accountability for its sub-grantees. It is expected that this experience will be shared with the Core Team. With its experience as an intermediary between AID and US and local PVOs, PACT will make a special effort to help the Core Team fulfill obligations to both parties, while assuring the autonomy of the Team. Where necessary, the Core Team will ask PACT - New York to carry out grant, contracting, or other administrative actions.

e. Core team interactions with USAID will include:

1. Funding Approvals

The procedures listed below will be followed:

- a) PACT needs no prior approval for sub-grants up to \$5,000, not involving foreign training. After one year, this ceiling may be raised to \$10,000 (NB: USAID Standard Grant Provisions establish special requirements for subgrants exceeding \$10,000). All grants will, of course, be documented in the next annual or quarterly report.
- b) For sub-grants greater than \$5,000 and less than \$25,000, the project Coordinator will submit sub-grant proposals and proposed sub-grant agreements to the USAID Project Officer. No objection within two working weeks signifies approval.
- c) For sub-grants greater than \$25,000 and less than \$50,000, the Project Coordinator will submit sub-grant proposals and proposed sub-grant agreements to the USAID Project Officer for approval by the Office Director for Program. No objection within three working weeks signifies approval.
- d) For sub-grants greater than \$50,000 and less than \$100,000, the Project Coordinator will submit sub-grant proposals and proposed sub-grant agreements to the USAID Project Officer for formal approval by the Office Director for Program and clearance by the Regional Legal Advisor, Controller and Grant Officer.
- e) For all sub-grants greater than or equal to \$100,000, the Project Coordinator will submit sub-grant proposals and proposed sub-grant agreements to the USAID Project Officer for formal clearance by the Office Director for Program, the Regional Legal Advisor, Controller, and Grant Officer for formal approval by the Mission Director.

**CAVEATS:** All of these ceilings may be raised after the first year of implementation or after the Mission issues a new Delegation of Authority Directive, whichever comes first. All candidates for overseas training, regardless of cost, must be processed through the USAID Training Unit, using the PIO/P form, prior to receiving their visas.

## 2. Periodic Reports

Semi-annual reports will be submitted to AID summarizing:

- a. Major activities,
- b. Progress under PRIP-funded sub-grants and contracts,  
and
- c. The impact of technical assistance.

The specific content and format of semiannual reports will be worked out by the Core Team and cooperating PVOs with the USAID Project Officer. These reports will be responsive to both USAID and PVO needs for particular, timely information.

The Core Team will submit, after PACT-New York review and approval, quarterly financial reports as required by the USAID Controller Office.

The Core Team will maintain frequent contact with the USAID Project Officer. A representative of the PACT-New York office will visit Dhaka roughly twice a year to provide the Core Team with support and advice.

Finally, PACT is annually audited by a Certified Public Accounting Firm. Copies of annual audit reports will be made available to the USAID Project Officer.

## 3. Evaluation

PACT, other consortium members, and USAID will conduct a joint evaluation of this project, utilizing the services of a mutually acceptable third party at mid-term and prior to completion of PRIP. Evaluators will use PACT's and IVS' special expertise in developing participatory evaluation strategies. Methods used will include: field observation, rapid rural appraisal, semi-structured interviews, and frequent contact with the rural poor. The final evaluation will measure changes in Bangladesh PVO strategic capacity as accomplished through PRIP and effects on field program design and implementation of field programs. Progress toward thematic objectives of PVO learning groups will also be assessed.

By the end of the first 18 months of "PRIP" the first major evaluation will be conducted, utilizing both "Quantitative" and "Qualitative" indicators as evidence of progress within the project's initial two-year phase. While at this pre-project stage it is not possible to enumerate and define in detail all such indicators, the following represents major projected benchmarks:

4. Quantitative Indicators - 18 months

- PRIP will have organized activities around at least eight subthemes of the five PRIP program areas
- At least 3 "Learning Groups" of 2-7 PVOs each will be in operation, each concentrating in one or more of the five PRIP program themes, and in the aggregate covering three of the five themes.
- In connection with the above, two successfully-completed training workshops will have been conducted in a) program, b) management, c) strategic issues, each training at least 10 key staff from 2-7 agencies.
- At least two training modules completed around program, management and strategic aspects of the five PRIP themes; each in operation and ready for adaptation to the curricula of local training institutes.
- Technical Services to at least 10 PVOs working in distinct geographic areas for the purpose of strengthening programmatic, managerial and strategic applications at office or project site.
- 10-20 subgrants/ contracts totalling up to approximately \$825,000 for PVO pre-investment, technical assistance, training pilot and expanded project activities which grow from Learning Groups, applications and on-site technical services and which in the aggregate cover all five PRIP themes.
- At least five program designs developed for wider impact by the learning groups with at least two collaborative PVO pilot or expanded projects in one or more PRIP themes passed to other donors.
- At least an additional 5-10 PVO projects planned for submission to the PRIP Project Selection Committee over the coming year, in the aggregate covering all five PRIP themes.
- At least 2 new PVO "Learning Groups" in formation to start work in the coming year, covering all five PRIP themes.

5. Qualitative Indicators - 18 months

- Evidence of more effective PVO approaches to client communities, associations and other beneficiary sub-groups, through better development communications skills and more responsive technical counselling around PRIP themes.
- Evolution of better management, accounting and monitoring systems among participating PVOs.

- Sharper PVO strategic focus, evidenced through specific collaborative PVO plans, PVO cooperation with others such as local community entities and government, etc.
- Stronger PVO capacities to promote, sustain and extend development around PRIP themes through professional growth which does not overextend organizational resources.
- Increased use of community-level volunteers, and development of community resource people across PRIP themes, among participating PVOs - to stretch their resources and build local sustainability.
- More thematically-informed, managerially-sound and strategically-aware PVO pre-investment, pilot and expanded projects for PRIP Project Selection Committee and other donor consideration.
- Greater expressed community, PVO, government and donor interest in the overall PRIP effort.

#### 6. Basis for Extension into Phase II

If the majority of the benchmarks are achieved and the evaluation determines the project is viable, (i.e. its progress demonstrates the feasibility of achieving its purpose in a second phase) the project will be continued for a second three to four year phase.

Particularly important will be the acceptance of PRIP by both BDG and local PVOs, and whether PRIP mechanisms can operate flexibly enough to achieve project purposes in the local context.

ATTACHMENT 3

PROPOSAL FOR A PRIVATE RURAL INITIATIVES PROJECT  
IN BANGLADESH

Submitted by

PRIVATE AGENCIES COLLABORATING TOGETHER

777 United Nations Plaza  
New York, New York 110017

11 August 1988

**Project Title** : Private Rural Initiatives Program (PRIP)

**Total OPG Request** : USD \$5,000,000

**Project Location** : Bangladesh

**PVO Name and Location** : PACT (Private Agencies Collaborating  
Together), Inc.  
777 United Nations Plaza  
New York, NY 10017

**Central Headquarters** : PACT, New York

**Contact Person** : Jacob E. Pfohl

**Date of Submission to AID** : August, 1988

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## I. EXECUTIVE SUMMARY

PACT (Private Agencies Collaborating Together), on behalf of and in consortium with its members IVS, CARE, and EIL is requesting the USAID mission in Bangladesh to provide an initial two years of funding for a 5-year project entitled "Private Rural Initiatives Project" (PRIP). The project will be structured in two phases, the proposed first two-year Phase 1 and a projected three to four year Phase 2. It is anticipated that the project will cost US \$5,000,000 over five years; initial funding for the first two years is requested at US \$1,900,000.

Phase 1 of PRIP, planned to start in the fall of 1988, will build the strategic capacity of PVOs operating in Bangladesh to assist the rural poor, especially women, to gain access to and improve the management of productive resources in rural areas. PACT will manage Phase 1 of PRIP in the context of existing BDG regulations regarding subgrants to Bangladeshi PVOs. Phase One will test the viability of PRIP processes and - after eighteen months - a process/impact evaluation will assess PRIP's longer term potential to strengthen the PVO community, and the most viable mechanisms for its further implementation.

PACT, on behalf of its consortium members, will advise, administer and support the work of a Senior Coordinator and the team s/he builds. The Senior Coordinator will manage the activities made possible by the USAID grant. These activities will include "the strengthening of cooperative action" and "the building of strategies and management capacities for individual PVOs" within five program areas, viz:

- A. Participation in local governance in order to enable poor people to have greater access to productive resources and services,
- B. PVO/local government collaboration,
- C. Local self-help economic activity,
- D. Self-financing local services, and
- E. PVO management strengthening.

PRIP grants can be characterized as

- funding human resources, not things, with an emphasis on supporting analysis, documentation, experimentation, networking, and other related activities directed towards building institutional and strategic capacities within the PVO community,
- providing grants to PVOs, universities, consulting firms, and research and training institutes supporting studies of existing practices and policy issues, innovative pilot activities, dissemination and replication of tested approaches.

- clustered around each of the five program areas, or sub-areas, and
- improving communication/sharing of information between PVOs.

The proposal has been prepared with the benefit of the experience of PACT, CARE, and IVS in Bangladesh and those organizations plus EIL in the USA. It also benefits from the USAID/Bangladesh Private Rural Initiatives Project Identification Document (June 1987) written by David Korten.

PACT and the USAID Mission have already verified that Bangladeshi PVOs feel that there is a need for PRIP and are prepared to use the services it is ready to provide. This has occurred over several years of intensive contact, study, program review, development and consultations both by PACT and the Mission with the local PVO community.

When the Senior Coordinator, in cooperation with interested PVOs, further refines the intended activities, s/he will be able to draw from the experience of PACT, CARE, and IVS in Bangladesh, who have already extensive contacts and relationships with the local PVO community in various elements of the proposed program.

In keeping with USAID requirements, the Senior Coordinator will provide progress and accounting reports to USAID throughout the life of the project. Particular emphasis will be placed at all phases of project implementation to extract, document, and disseminate "lessons learned" from each project activity in order that later project activities may benefit from these lessons. There will also be mid-term and final external evaluations and yearly auditing of the project's and PACT's financial records.

For a variety of reasons, including the size and maturity of Bangladeshi PVOs, the impetus the BDG decentralization initiative, and the appreciation by Bangladeshi PVOs of the need for sustainability and strategic involvement with Government policies, the time and place is very suitable for a project of this kind. Many PVOs are already committed and working hard to improve the quality of life for the rural poor in Bangladesh; this project will focus on increasing the effectiveness, impact, and, eventually, geographic range of these PVOs.

## 2. PROJECT PURPOSE AND DESCRIPTION

### 2.A PROJECT GOAL, AND PURPOSE

On behalf of a consortium effort with its members CARE, IVS and EIL to support PRIP, PACT will undertake the management, coordination and backstopping of the USAID-funded project proposal, under an Operational Project Grant. The Goal, Purpose and other key components of the logical framework for this five-year project are as follows:

#### 1. Goal:

A more productive rural economy achieved by the rural poor, especially women, having greater access to and skills in managing productive resources and services.

#### 2. Purpose:

- a) To build the technical and strategic management capacity of PVOs operating in Bangladesh to more effectively use internal and external resources to benefit the poor.
- b) To support collaborative efforts (PVO/PVO, PVO/Government, or PVO/Private Sector) to achieve the above.

#### 3. Outputs:

Increased capacity of PVOs in five program areas:

- a) Broadened base of participation, i.e. of the poor, in local governance, especially regarding allocation of public resources. In particular, by increasing access of the poor to productive resources and the services needed to manage them productively.
- b) Greater availability and reliance on locally managed self-financing services which link public and private resources in ways that increase sustainability, local control, and income-generating activities.
- c) Strengthening support systems advancing the variety and profitability of self-help income-generating activities available to the poor.
- d) Effective management, planning and evaluation
- e) Greater collaboration with local government

#### 4. Inputs:

Money and human resources for:

- a) Learning activities for groups of PVOs (training, exposures, learning group formation, meetings,

investigations, analyses, cross fertilization)

- b) Training/technical assistance for individual PVOs (workshops, consultations, study tours, research).
- c) Capacity building grants/contracts (for case studies, feasibility studies, documentation, print and A/V, pilot initiatives).
- d) Project coordination
- e) Evaluation
- f) Local operating costs
- g) PACT management, backstopping and coordination

## 2.B TARGET GROUP OF BENEFICIARIES

85% of the 106 Million people of Bangladesh live in rural areas and half of rural households are landless. Most PVOs working at community level are committed to organizing the rural poor--usually with an emphasis on the landless who constitute approximately 50% of the rural population. It is pre-eminently PVOs who have chosen to work with the rural poor. Estimates of the numbers of villages in which such organizations are currently active are 10% of the villages of Bangladesh. The target beneficiaries are therefore most immediately the poor and landless in the 10% of the villages where PVOs presently work, with the expectation that the project will develop PVO capacity to increase such coverage, eventually nationwide.

## 2.C GENERAL DESCRIPTION OF PROJECT

### 1. USAID's Desire to Work with Bangladesh PVOs

Most donors in Bangladesh are impressed with the comparative effectiveness of PVOs in promoting rural development and providing rural service delivery. Many donors, especially those with strategies focused on grassroots rural development, have well-established projects with larger PVOs, while other donors are planning to expand their work with PVOs.

USAID/Dhaka has been impressed for several years with the critical role PVOs in Bangladesh are playing in the rural development process. Yet, except in the population and health sectors, the Mission has no mechanism to support promising PVO proposals. In recent years, however, as USAID projects have been increasingly affected by Bangladesh Government (BDG) efforts to decentralize decision-making and implementation to the local level, the Mission's strategic interests and those of PVOs have begun to intersect.

### 2. The Limitation of Conventional Ways of Working with PVOs

Despite the large number of Bangladeshi PVOs, relatively few (and the most 'visible') are willing and able to handle foreign donor funds. Of these, however, a USAID-funded study (Huq/Urner, 1985) concluded that many are effectively "overfunded" in the sense that they are turning away new donor funding, or are taking on new projects and new sectors and geographic areas, with little time to incorporate their experiences (or those of other PVO's) into the new projects. This conclusion was further substantiated by later USAID consultantancies (see Korten, Trip Reports, 1985-87) which revealed that few PVOs

- adopt new projects in relationship to an explicit short- or medium-term strategy;
- select sectors in which to work based on proven expertise or comparative advantage with to other PVOs;
- self-consciously seek to institutionalize what they are learning; or
- develop explicit strategies to "graduate" their beneficiaries.

Korten (1985-87) concluded that this pattern results in few replicable or sustainable PVO projects and that, therefore, future AID assistance to PVOs should include major components to strengthen the strategic planning and management of recipient PVOs.

Because comparatively little attention is being paid to management and planning issues, the strains of rapid expansion threaten the viability of many PVOs currently able to carry out successful field projects and work with foreign donors. While almost all foreign donors have expressed commitment to working with PVOs, many are currently trying to implement more rigorous project monitoring procedures, as PVOs which have been successful implementing small pilot projects prove unable to sustain their successes on a larger scale.

Meanwhile, a sample from the dozens of unsolicited PVO proposals received by the USAID Mission over the last three years suggests why small PVOs, which could be moving to meet excess demand for PVO projects generated by foreign donors, are unable to do so. A sample of the dozens of unsolicited proposals received by the USAID Mission over the last three years reveals that many describe projects which might have been drafted 20 years ago; the PVOs do not reflect the learning which has taken place in their own country by some of the larger more sophisticated PVOs. The reason why smaller PVOs are often unable to incorporate lessons learned by the larger PVOs into their new project proposals and staff training courses appears to be because the lessons have not been documented and/or widely disseminated in English or Bengali. As a result, many donors view smaller PVOs as backward and the donors continue to compete for opportunities to fund larger, more sophisticated organizations.

We conclude that the primary requirement of Bangladeshi PVOs sector at this point is not core funding for further proliferation of field projects, but funding which will support qualitative

improvements which will enable more PVOs to develop strategic planning capacity, achieve greater programmatic coherence within and across organizations, and improve overall management. Many PVOs currently using foreign donor funding but unable to absorb more could, as a result, increase their productive absorptive capacity if their administrations were strategically reduced to a realistic geographic and sectoral range. Likewise, training in program planning and management and sharing of lessons learned to date could increase the absolute number of PVOs which could reach the rural poor with sustainable, donor-funded projects.

### 3. The Most Appropriate Form for USAID Assistance to PVOs

Given what other donors are doing, USAID can best support PVOs in Bangladesh by providing funding for program development, rather than funding discrete, resource-transfer projects.

The task is not one of simply strengthening PVO capacities. There must be help for PVO's to position themselves to play an increasingly strategic role in national rural development efforts.

Three facts combined to suggest an important opportunity:

- a) The Bangladesh PVO community is one of the strongest and most sophisticated in the world,
- b) Several of the larger PVOs are in the process of re-examining their roles in relation to Bangladesh development, and
- c) USAID/Dhaka had identified support for the Bangladesh government's decentralization commitment as a future priority.

The Mission's Private Rural Initiatives Project Identification Document identified five potential areas for USAID assistance to PVOs in Bangladesh. In all these areas, potential exists to simultaneously increase PVO involvement in decentralized development efforts and increase improved income-generating/empowerment opportunities for the rural poor. At the same time, USAID recognized the potential impact of PRIP activities in these five areas could, in most instances, be increased by simultaneous support at two levels: both for promising individual PVOs and for groups of PVOs committed to pursuing action research in a common area of interest.

## 2.D FIVE PROJECT AREAS

1. Broadening the base of participation in local governance processes as a means of improving resource allocation, in particular, by increasing access of the poor to productive resources and the service needed to manage them productively.

2. Strengthening PVO-local government collaboration, through helping both to recognize complementarities in their capabilities and agendas.
3. Development of support systems that allow rural small producer activities to be more productive and provide greater returns to the producer.
4. Development of self-financing systems of rural service delivery that link public and private resources in ways that increase sustainability, local control, and income generating opportunities.
5. Strengthening of PVO management systems and capabilities, with particular reference to accounting and financial management, financial analysis of income generating activities, marketing, and strategic management.

Underlying these themes is an emphasis on building people-centered program skills; the skill of bringing about changes in the relationships and capacities of people in planning and enacting change, i.e., their abilities to actively participate and interact within the context of the forces influencing them. PVOs need help in this area if they are to significantly make impact in any PRIP theme area. Training PVO staff as facilitators and catalysts of change -institutionalizing the very process of PRIP itself- will be the major thread tying these five program areas together.

## 2.E TWO METHODS OF WORK

### 1. Strengthening Cooperative Action

In each of the five general theme areas, the Project will identify more focused sub-themes that have three characteristics:

- a) A number of PVOs have a serious interest in the sub-theme,
- b) It addresses an important Bangladesh development priority, and
- c) There is an apparent opportunity to achieve a significant improvement in results through the collaboration of several PVOs that could not be achieved through the efforts of any one of them working alone.

Potential sub-themes that have emerged during the project design process and which, based on the three characteristics listed, might become the focal points for the project include:

- development of rural credit facilities,

- women's access to public markets,
- irrigation development by landless groups,
- poultry production and marketing,
- fish pond development and management,
- development and supply of self-managing cooperative village pharmacies, and
- landless access to khas lands.

The Core Management Team will encourage interested representatives from interested PVOs to cluster into "Learning Groups" around sub-themes. The Team will then assist each Learning Group to identify:

- Prior PVO experience with activities relevant to the sub-theme,
- Gaps in experience that require formal investigation or the development of training modules/courses relevant to the sub-theme,
- Gaps in dissemination of critical existing materials relevant to the sub-theme,
- Opportunities of addressing outstanding issues through pilot activities

This assessment will be the basis for defining programming around each sub-theme, e.g., grants for applied learning and innovative pilot activities, feasibility studies, state of the art assessments, individual training opportunities), and documentation/dissemination of successful approaches. The Learning Group will then act as an advisory council for the selection and administration of a series of grants and contracts to support these sub-theme activities. PVOs active in the Learning Group may be sub-grantees for sub-theme activities.

## 2. Building Strategies and Management Capacities of Individual PVOs

The Project will also provide program support grants to individual PVOs working in the five project areas to:

- a) sharpen their strategic focus--both geographically and technically--so that they can increase their impact on a defined set of development issues; and
- b) strengthen their basic management, accounting, and monitoring systems.

Examples of these two ways of working in the five program areas might include the following:

- Fund a study of ways PVOs and local governments are already cooperating. Identify key constraints. Assist Rural Development Academies in Comilla and Bogra, the National Institute of Local Government, and PVOs with major training programs such as BRAC and Proshika to develop course modules for upazila officials and PVO staff on the topic of PVO/Local Government cooperation.
- Support a series of workshops for PVO leaders, upazila officials, and lawyers to set up uniform application procedures by which the landless can gain access to "khas" land and fallow fishponds. Finance distribution of the resulting manuals and publicity campaigns to create awareness among landless groups of their rights and how they can obtain support from PVOs and local government in exercising them.
- Assist a group of interested PVOs in developing a training module for PVO personnel on assessing the commercial viability of income generating schemes to be introduced into several existing training programs.
- Make available the services of a senior international consultant to work with several large and medium sized PVOs on defining their medium and long term-strategies.

## 2.F EXAMPLES

The following examples illustrate how PRIP sub-grants might work. Further suggestions will be solicited by the PVO community.

### 1. Participation in Local Government.

The Project will support qualified organizations in development, documentation, and dissemination of innovative approaches to the creation and strengthening of organizations of the poor and linking these organizations into upazila and union decision-making and management processes. Priority will be given to identifying and supporting those approaches specifically directed to strengthening the role of women's organizations in resource allocation decisions.

Strengthening participation of PVO-sponsored landless organizations in upazila and union level planning for use of food for work may receive special attention, as may schemes which give responsibility for project implementation to landless groups. This might involve sponsorship of pilot activities on developing and demonstrating approaches to use food for work in developing and enhancing productivity of irrigation systems and fish ponds. It may also support experimentation with landless groups and inventories of under-utilized resources, or with information systems that make available to the poor information on resources such as food for work under the jurisdiction of upazila and union councils.

It may support a series of workshops for PVO leaders, upazila officials, and lawyers to set up uniform application procedures by which the landless can gain access to khas land and fallow fishponds. It may finance distribution of the resulting manuals and publicity campaign to create awareness among landless groups of their rights and how they can obtain support from PVOs and local government in exercising them.

## 2. PVO-Local Government Collaboration

Some PRIP activities will aim at cross-cutting efforts to strengthen PVO-local government collaboration. For example, the rapid rural appraisal exercise recently completed by USAID/Dhaka staff revealed considerable openness by the local government officials to working with PVOs. Yet such collaboration is hindered by the rapid rotation of locally-assigned bureaucrats and the lack of any forum for dialogue. This project may fund implementation and documentation of PVO pilot efforts to set up local orientation programs for newly assigned staff of government and PVOs and a regular forum for exchange of information and facilitation of collaboration.

It may also support a study group of PVOs concerned with increasing access of landless groups to Food for Work, to support development of productive assets over which they have control. For example, the landless might use these resources for a project to construct irrigation facilities, level land served by irrigation, and excavation of fish ponds. This might include funding of feasibility studies and sponsoring a small conference bringing together PVOs, landless leaders, and government officials to identify needed policy changes, and plan and implement pilot activities to test alternate approaches.

## 3. Local Self-Help Economic Activity

Increasing the productivity and living standards of the rural poor is one of the most pressing needs in Bangladesh. Most rural poor depend for their livelihoods on a self-help rural economy of their own creation. In other words, most Bangladeshis work at jobs which they or their families create for themselves. This will continue into the foreseeable future, but attention is needed to remove structural constraints which limit opportunities for obtaining more than bare subsistence returns from such employment. Also greater knowledge is needed of how upazila governments can effectively support these processes.

The key is to support a producer owned and controlled, but professionally managed and technically staffed, support system that provides inputs, technical support, processing, and marketing.

BRAC believes there are significant opportunities in Bangladesh in silk, vegetable, livestock, and poultry/egg production--all offering particular opportunities for women in small scale home based production.

These outcomes will be achieved through activities such as:

- Funding and publicizing the results of comparative analyses of various credit schemes addressing the needs of the rural poor to facilitate learning across programs and to encourage participation from the commercial banking sector;
- Funding pilot activities exploring a wider range of financing options from use of self-generated funds to use of commercial banks;
- Supporting and documenting pilot initiatives aimed at opening public markets to women;
- Supporting experimental efforts at development of upazila level PVOs to serve as catalysts in strengthening and extending local processes which allow the poor to gain access to productive resource;
- Providing technical assistance for efforts to develop vertically integrated support systems for small producer based industries. Many of these activities will require a strong business orientation on the part of the participating PVOs.
- Assist a group of interested PVOs to develop a training module for PVO personnel to be introduced into several existing training programs. It will train PVO personnel to more effectively assess the commercial viability of income generating schemes.
- Make available the service of a senior international consultant to work with large and medium sized PVOs on defining their strategies for the next several years.
- Fund MIDAS to carry out economic and marketing studies of a number of sector studies on commodities, products, or services being produced by landless individuals, groups or suitable small producers with limited capital. They can analyze economic, technical and market potentials to identify those with potential for providing employment on a significant scale. They may determine opportunities for technical improvements and/or the development of vertical linkages relating to input supply, processing, and marketing that would increase their potentials. PVOs interested in these products, or services can then be invited to form a working group to determine the potentials for cooperative action to act on recommendations of the report. For example, several PVOs

believe there is substantial unrealized potential in village poultry production.

Support workshops for experience-sharing among PVOs engaged in poultry production to identify common issues, discuss implications of sector studies, and plan joint actions. Learning groups could then emerge from these workshops which might then support studies on development of fish meal poultry feed from waste fish and the role that PVOs can play in development of processing facilities. Actual financing of processing facilities might be through commercial credit and would be based on clear-cut commercial viability.

Support a follow-on to the USAID/Dhaka's Women in Rural Markets Project, in order to consolidate lessons learned, disseminate those lessons, and support PVOs in carrying out training and communications campaigns to educate the public to the contribution that women can make through market participation. Additional pilot activities may be carried out on a selective basis.

Support a study group of PVOs and banking officials concerned with increasing availability of credit to the rural poor. Using PRIP funds, this group may sponsor a study of the needs of the rural poor by location and their relationship to existing facilities. Existing credit programs may be studied to identify particular needs and groups they serve. PVOs operating in-house credit programs may be encouraged to assess whether they intend to supply credit on a subsidized basis or seek to establish self-sustaining local revolving funds within a reasonable period. If former, how do they plan to help groups gain access to permanent institutional credit sources. These dialogues and studies may lead to the design of pilot activities designed to fill gaps in existing commercial services, with PVOs serving as intermediaries or technical resources. An alternate approach is to raise interest rates to levels high enough to support self sustaining credit funds.

#### 1. Self-Financed Local Services

Some PVOs are experimenting with service delivery approaches involving fee for services and other means of self-financing. Their experience suggests that self-financing can at once result in a reduction in the need for external subsidies and improve the quality and availability of services--even for the very poor--while providing income-generating opportunities for village service providers. BRAC and CARE have demonstrated this concept in the provision of both health care and veterinary services.

A local university may be funded to compile an inventory of experiments throughout the country with self-financing service

delivery and document those that offer interesting lessons which may serve as prototypes for replication. A national conference may be funded to engage PVO and government leaders in a dialogue on the implications.

##### 5. PVO Management Strengthening

Management Development activities will build on what national PVOs have been doing, relying on the best services of their and other local institutions to expand and provide services.

The effectiveness of PVO efforts is often hindered by their limited strategic perspective. In many instances, their attention is focussed more on narrow activities and localities, with limited attention to broader socio-political implications and managerial sustainability. Furthermore, collaboration between PVOs is surprisingly limited. A USAID Mission rapid appraisal exercise revealed that in many instances, there is stronger collaboration between individual PVOs and local government, than among PVOs themselves. This precondition weakens that ability of PVOs to have nationally significant impact on development. Assistance to help PVOs must help them to come to grips with both basic and more strategic management skills, in a climate that enhances mutual and peer learning.

Some of the larger PVOs and resource groups in Bangladesh have themselves begun to address these issues, providing training and, as BRAC is doing, plan to establish a Centre for the Development of Rural Managers, and provide mobile training, as VERC is doing. Using such local resources will be the first avenue of approach in meeting PVO needs, and foreign technical assistance given only when it provides an unavailable skill or facilitates needed international linkages.

Training and orientation to strategic planning skills is key to the management/development component of the project. This entails PVOs developing vision, clarity of purpose, realization of distinctive competencies and realization of the degree to which they as PVOs can move from more peripheral roles to more strategic ones in order to achieve their goals.

The project will make training opportunities and structured learning available, in which strategic skills can emerge and be honed through appropriate technical assistance. The PVOs will be helped to blend such "vision" with its implications of learning from their experience, being more "self-connecting", sharing learning with other institutions, (PVO, private and public) and the practical implications for personnel policy, internal communications, and budgeting that such an enlarged self-vision implies.

Basic skills in management capacity will also be addressed by the program, answering to an expressed need of the Bangladeshi PVO community and as a basis from which to move into more strategic skills. For example, strong skills in financial

management are essential both to the effective use of resources and to meeting the demands of funding agencies for financial accountability. It is also basic to the business orientation necessary in supporting development of self-financing services and providing assistance to financially sound income-generating activities. Improved skills in marketing are necessary for PVOs to understand the demand for various services and products, and to develop appropriate distribution channels.

The following example is illustrative of PRIP management development services:

Based on demand generated by Learning Groups and individual NGOs, a grant may be given to a Bangladeshi training institution to develop and offer special modules to Bangladeshi PVOs in financial management and to provide them with supporting technical assistance in the installation and use of improved systems of financial management. Particular attention will be given to development of female trainers. To the extent support is provided for actual training, grantees will be asked to demonstrate a commitment to preparing women for supervisory and managerial positions. A more detailed scope of training is described in section 5.B.5 and 5.B.7.

## **2.G ASCERTAINING THE PROPOSAL'S SUITABILITY**

The assumptions underlying PRIP have been developed and tested through various design activities involving large and small PVOs in Bangladesh, PVO consortia in the U.S. and Bangladesh, local government officials in Bangladesh, and other foreign funding agencies in Bangladesh. These activities are described in some detail in Section 3.C.

### **1. For USAID/Dhaka**

This proposal describes

- a. a mechanism by which USAID/Dhaka will be able to provide development assistance to PVOs working with the rural poor in Bangladesh and
  - b. a process for selecting the most appropriate PVO activities for USAID funding.
- a. A MECHANISM: AID-funded PVO projects tend to be staff-intensive to the degree they involve:
- frequent contact with a broad range of PVOs, PVO consortia, and voluntary resource organizations
  - review and prioritization of multiple sub-grant proposals
  - technical and financial monitoring of sub-grants
  - evaluation of sub-grant activities and incorporation of "lessons learned" into new sub-grant activities
  - coordination with other foreign-donor-funded PVO projects.
- USAID/Dhaka is therefore affected in its ability to carry out a PVO project by the following constraints:
- present Mission staff are fully employed with other ongoing and planned project activities for the next 2-3 years

- the ceiling on direct hire and PSC positions in the Mission has been reached and prospects for raising it are not good
- limited office space for in-house staff
- limited access to USAID offices due to Embassy security restrictions.

The PACT proposal offers a mechanism to overcome these constraints by

- providing self-contained project management and IVS office space physically outside the Mission
- providing years of experience in PVO sub-grant proposal development, monitoring, accounting, and evaluation
- maintaining a regular stream of sub-grant, overall project, and research/training progress reports to the Mission
- establishing a project selection process which takes into account both Mission priorities and needs/opportunities directly identified by the PVO community.

- b. A PROCESS: Based on priority areas established in the PRIP PID and reviewed by a USAID Project Review Committee on a regular (quarterly or annual) basis, PACT will use consultations with individual PVOs and form Learning Groups to identify and prioritize PVO needs in those areas. Similar processes will be used to develop and review proposals for project activities to address those needs. To the greatest degree possible, in the priority areas established by USAID, the PVO community will establish the agenda for PRIP.

## 2. For PVOs in Bangladesh

In order to ascertain the suitability of the current PRIP formulation, a draft of the present proposal was circulated to and comments solicited from Bangladeshi PVO leaders in April 1988. As described in Section 1, above, the proposal focuses on setting up a mechanism for USAID funding and a process for establishing funding priorities. While the proposal provides many examples of potential PRIP activities, it does not list, explicitly, project sub-activities and therefore has often proved difficult for operations-oriented PVOs to evaluate.

Responses to the draft proposal from PVO consortia and voluntary resource organizations reflected a clear understanding of the concept and strong support for the proposal. Comments from individual PVOs were also generally supportive but urged PACT to draw to the maximum extent on local expertise and PVO networks which have already formed around several key areas of issues described in the proposal. The present proposal, as a result, states more clearly not only PACT's intention to draw upon existing local initiatives and expertise wherever possible, but also explains how PACT will do this, i.e., through the formation of Learning Groups composed of representatives of Bangladeshi PVOs already interested in PRIP sub-themes and which will explicitly review existing experience in the sub-theme area before funding any new activities in that area. This present "Suitability" section of the proposal was likewise expanded to address one PVO's concern that the PRIP proposal reflected "top-down" (i.e., donor/U.S. PVO) planning.

### 3. For other foreign donors also funding PVO projects in Bangladesh

USAID and PACT have informally vetted the project concept with several NGO Coordinators for several foreign donor agencies. The NGO Coordinators emphasize that USAID must be prepared to be "flexible", that few of them are satisfied with the level of rigor of monitoring and evaluating the PVO projects they fund, most attribute this dissatisfaction to lack of staff time on the part of the donor and lack of professional rigor on the part of the PVOs.

The NGO Coordinators have and will continue to provide valuable insight into existing and potential Bangladesh Government clearance issues (described more fully in the next paragraph and in Section 5.A.4: Government Approvals). While most find BDG clearance procedures onerous, many still manage to follow them AND disburse annual levels of development assistance funds similar to those suggested in this proposal.

#### 1. For the Bangladesh Government

The BDG has formally recognized the contribution that PVOs make to national development efforts in Bangladesh and encourages the use of foreign donor funds, in addition to those already committed to the BDG, to support PVO development activities. The USAID Mission has notified the BDG of its intention to negotiate a cooperative agreement with PACT to implement the PRIP in Bangladesh.

PACT has not vetted PRIP, formally or informally, with the central BDG at the proposal stage. The number of potential BDG counterparts for this project at the central level of government is enormous; no key Ministry or branch of a Ministry has been identified at this time. Furthermore, the BDG has no formal or informal channels for reviewing "umbrella" PVO projects. PACT contributions have in the past, however, been routinely cleared by subgrantees through standard procedures in effect when the contributions were made.

The BDG, however, requires that all PVOs in Bangladesh intending to use foreign funds to support their activities apply for prior BDG approval. Small grants for studies, preinvestment activities, and pilot activities will most probably be classified as "foreign contributions" which are significantly easier to clear than multiyear projects. This is a somewhat encouraging for PRIP's prospects, but will need to be worked through carefully by PACT and its subgrantees with the NGO desk in ERD.

Nevertheless, all PVOs which apply for PRIP funding will be required to secure BDG approval for their activities before PRIP funds will be disbursed. By following this approval process, PACT ensures that the BDG is informed in a timely way through normal, well-established channels of communication.

With respect to local government officials, support for the PRIP proposal was established at an earlier stage of the project design. A Rapid Rural Appraisal carried out by the USAID Mission in the second quarter of FY87 suggested that a number of elected local government officials in some upazilas are looking for ways to increase the number and scope of development activities in their jurisdictions. As a result, some local government officials have expressed enthusiasm about the potential for PVOs

to expand outside-funded programs in their jurisdiction. Some of these officials even see PVOs as channels for centrally-funded block grants available to the upazila for development purposes. At least one chairman contacted during the Appraisal, has since made regular visits to the USAID Mission in hopes of securing more funding for PVO activities in his upazila.

## 2.II CONDITIONS EXPECTED AT END OF PROJECT

The project has been phased. The initial two year phase will help determine its viability for a further 3-4 year second phase. An evaluation will take place at the end of 18 months. Conditions at that point in time will include attention by PRIP to at least 5 subthemes related to at least 2 of the 5 PRIP major program themes. At least two learning groups working on these activities will be operational, each consisting of 2-7 PVOs and other relevant organizations. As per the criteria elaborated in the evaluation section ( see pages 35-36) related achievements in training and technical services, dissemination, feasibility and planning assistance, materials creation and pilot projects are specifically targetted.

The overall status of the project at the end of eighteen months is described as follows:

- At least five new program designs by PVOs that demonstrate the benefit of exposure to PRIP's management and technical services, especially strategic management skills. At least two of these designs passed on to other donors.

- a smoothly running project selection process capable of supporting clusters of activities for advancement on PRIP subthemes. This includes elaboration of mechanisms for both AID and BDG approvals.

- technical services to at least 10 NGOs at office or project sites will have been provided. At least 3-5 PVOs will demonstrate better management, accounting, and monitoring skills.

- At least three pilot ventures by PVOs that bring learning back to field practicum and actualize benefits to the poor.

- greater expressed community, PVO, government and donor interest in the overall PRIP effort

- Evidence of changes in PVO practices, i.e. more effective approaches to client communities, associations and other beneficiary subgroups, through better development communications skills and more responsive technical counselling around PRIP themes.

By the end of the full life of the project (end of Phase II) the following conditions will pertain:

- at least 15 clusters of activities related to the five PRIP themes will have been addressed.

### 3. PROJECT BACKGROUND

#### 3.A. PERTINENT BACKGROUND INFORMATION ON BANGLADESH

Bangladesh is one of the poorest countries of the world and ranks among the lowest in physical quality of life. While 85% of 106 million people continue to reside in rural areas, intense population pressure (over 1,800 people per square mile) is driving many Bangladeshis off the farm. Over half of rural households are landless, and estimates of unemployment range from 23 to 42 percent and annual growth in the labor force--now estimated at 2.8 percent--is accelerating. The major growth sectors of the economy are those which do not enhance direct production--administration, defense, construction, and trade. Growth in agriculture and manufacturing roughly equal population growth.

Foreign aid flows make up 40% of government receipts, 50% of foreign exchange income, and 90% of the annual development budget.

#### 3.B THE RURAL POLITICAL ECONOMY

##### 1. The Non-Productive Role of the Rural Elites

The present rural political economy contains almost irresistible pressures tending to force development inputs from Dhaka into a patronage system dominated by rural elites. Thus, whether a development project deals with public health or deep tube well maintenance is less important than the socio-political fact that inputs will be used by local elites to enrich themselves and reinforce their position, and that benefits to the poor or the economy in general may be incidental. Some observers of Bangladesh (Korten, Blair, etc.) suggest this pattern is so firmly established that most elite elements take for granted that individual social and economic advancement comes most readily through patronage, rather than through productive work and investment. The result is that the rural economy, which should be the driving force in Bangladesh development, remains largely stagnant and rural resources yield only a fraction of their potential productivity.

In addition to these socio-political weaknesses, Bangladesh is handicapped by meager natural resources. Consequently, development progress will depend on disciplined movement toward achieving maximum productivity from available resources. An appropriate development ethic, which values productive labor and investment is not well established in Bangladesh society, given the entrenched status of the patronage system.

##### 2. The Productive Development Ethic of the Poor

In contrast to the above, there is evidence that the essential elements of a development ethic are often found, and readily nurtured among the landless rural poor.

Being cut off from more lucrative channels for self advancement in Bangladesh (ie, patronage), the poor seem more ready, in the short-run at least, to accept that their future depends on their own productive effort and investment. They are also relatively content to seek their future in rural areas where the economic development of Bangladesh must be based.

The rural poor's interest in projects involving little or no resource transfers and offering little more than access to resources at market rates, is demonstrated in the success of the Grameen Bank, which lends only to the very poor. Banks that target loans to relatively wealthy borrowers experience repayment rates as low as 10% on industrial loans and 26% on agricultural loans; the Grameen Bank reports repayment rates of 98%. PVOs making loans to the very poor report comparable recovery rates.

It is significant that the example used here involves a PVO since it is pre-eminently PVOs who have chosen to work with the rural poor.

### 3. The Role of the BDGs Decentralization Initiative

The BDG has instituted a system of popular election to the upazila councils and such councils have control over the resources BDG provides (funds, food for work) as well as a responsibility to implement government policies (like land reform via the redistribution of khas land). This current BDG decentralization initiative is a necessary, though not sufficient, step toward energizing the rural poor as a development force. It creates the possibility that the rural poor will have increased access to productive resources and thereby the opportunity to increase productivity through improved management. But decentralization of budgets and introduction of popularly elected local councils do not automatically broaden private initiatives and access to essential services by all local residents. History reminds us of the danger that current decentralization initiatives may do little more than extend central level controls and unproductive, corrupting political patronage deeper into rural society, if steps are not taken to ensure the rural poor are the focus of decentralized development efforts.

### 4. The Role of the Bangladeshi PVOs

Bangladesh has the good fortune of having one of the largest and most active PVO communities found in any developing country. It is grounded in a long tradition of private voluntary initiative directed to meeting local needs for improved welfare.

Many modern Bangladesh PVOs trace their origins to past relief efforts related to major floods and the wars of partition. The Ministry of Social Welfare recognizes upwards of 6,000 PVOs throughout the country. Most of these are very small informal village "Clubs" with few formal functions. Many are formed

only to receive the small allotment (a minimum of 200 Taka a year) provided to such organizations as grants by the Ministry.

ADAB, a PVO membership consortium organization which applies more stringent screening criteria, lists 350 local level affiliates operating in 335 of the total 460 upazilas in the country. ADAB estimates that perhaps as many as 150 of these have activities involving more than one union and have some interaction with the upazila administration.

At the upper end of the spectrum are a small number of organizations of impressive size and national program scope. CARE employs 1200 national and 16 international staff members managing a program providing \$40 million in assistance per year with \$20 million in counterpart contributions through 17 sub-offices serving 315 upazilas. BRAC has a staff of 2,500 and an annual operating budget of nearly Tk. 100 million. Its activities reach 1,800 villages. RDRS has a staff of 1,800 Bangladeshis and 11 expatriates with a budget of \$5 million a year. Other PVOs of major scale include Caritas, Nijera Kori, the Dhaka and Comilla branches of Proshika, ASA, and GSS. Many of the larger PVOs have been particularly active in organizing the rural poor and landless. Estimates of the number of villages in which such organizations are currently active range from 10% to 20% of the villages of Bangladesh. PVOs are active in nearly every development sector, with particular concerns for literacy, health and income generation.

Most PVOs working at community level are committed to organizing the rural poor--usually with an emphasis on the landless who constitute approximately 50% of the rural population. The concept of empowerment figures heavily in their thinking, with attention to helping the poor mobilize local resources and make effective demands on externally provided services. However, strategies for dealing with the relationship between organized beneficiary groups and government vary considerably.

##### 5. The Impact of PVOs on the Rural Political Economy

A very significant opportunity exists for PVOs (who have proven themselves resourceful in assisting the rural poor) to take advantage of the decentralization initiative of the BDG and find a firmer, more powerful place in the rural political economy. Together, the PVOs and the rural poor can provide a dimension in the decentralization process that has been lacking up to now.

Violent backlash from rural elites expecting greater benefits from decentralized development efforts towards those PVOs which work with the rural poor, is not unusual in Bangladesh. Any assistance to PVOs to assist the rural poor in gaining a larger piece of the decentralized development pie must deal with this problem. Convincing the rural community as a whole that the size of the pie itself can be increased might be one step in this direction. On the other hand, measures must be taken to ensure

' that PVOs do not become co-opted by rural elites.

### 3.C. RELEVANT STUDIES/PREPARATION

The following studies and design activities have contributed to PACT's understanding of the background described above and to the present formulation of the PRIP proposal:

- 1) An Identification of PVOs in Bangladesh Judged Suitable for Future USAID Collaboration, John B. Urner and Shireen Pervin Huq, USAID/Dhaka, October 1985
- 2) Trip Report of Visit to Bangladesh, Harry Blair, USAID/Dhaka, January 1987
- 3) Rapid Rural Appraisal on NGOs and Local Government, USAID/Dhaka, April 1986
- 4) First National NGO Convention in Bangladesh, hosted by ADAB, partially sponsored by USAID/Dhaka, June 1987
- 5) Private Rural Initiatives Project Identification Document, David Korten, USAID/Dhaka, June 1987 (and associated trip reports)
- 6) Women in Rural Markets: Feasibility Study and Pilot Project Report, Raka Rashid, USAID/Dhaka, January 1988
- 7) PACT study on Voluntary Resource Organizations (VROs), February 1988, Abdullah and Sultan

Consultant recommendations from the "Identification..." document guided the early direction of the PID and are still timely today. These recommendations include:

- a. Continued use of intermediary PVOs with proven ability to meet AID's reporting and monitoring requirements to channel AID funds to other PVOs
- b. Comparative lack of need for foreign funding for operational PVO projects over the next five years (1985-90). AID might instead focus on developing future projects based on ongoing experience.
- c. The need for more effective donor coordination to
  - identify neglected sectors/activities,
  - identify neglected geographic areas
  - ensure continuity between phases of projects which are funded by different donors.
- d. Beware of overfunding.
- e. PVOs have ambivalent feelings about cooperating with the BDG.

These recommendations were tested and confirmed with PVO leaders, other foreign donors, and PVO consortia throughout the Mission's PID development process.

A Rapid Appraisal in Spring of 1986 examined the issues of Upazilla and Union level resource distribution and PVO/local

government collaboration. This Appraisal found many central block grant resources underutilized due to lack of upazila field staff, an interest on the part of both PVOs and local government officials, and a surprising number of ongoing PVO/local government cooperative activities. In addition, the Appraisal highlighted the pivotal role of the elected upazila chairman, some of whom were looking for ways to expand development activities and welcomed PVOs to start new projects in their jurisdiction.

The Women in Rural Markets study demonstrated the potential dynamism of the Learning Group approach, as interested PVOs formed a Group, set a research agenda, developed proposals, monitored progress, and attempted to document and incorporate "lessons learned" into ongoing and future project designs.

PACT's Study of Voluntary Resource Organizations provided insights into the present stage of development and current concerns of these organizations which will play a critical role in institutionalizing PRIP. Trips by PACT's Regional Representative and the proposed Project Coordinator to Bangladesh in 1988 were also used to cross-check relevance of the conclusions described above.

### 3.D PRIOR EXPERIENCE; RATIONALE FOR PACT

PACT, an international PVO consortium, has sixteen years of experience in grant-making, learning exchange and documentation programs, PVO program development, PVO Consortium research, PVO coalition building, and technical assistance related to administration and evaluation of AID-funded umbrella PVO projects originating from both D.C. and the field. In this project, PACT has been requested by its members, IVS, CARE and EIL, to manage, facilitate and provide administrative support for PRIP. PACT has convened the key members associated with the program both in Bangladesh and in the US. It has an established track record for supporting indigenous PVOs in Bangladesh and elsewhere, rather than implementing its own programs, and is currently supporting several capacity-building efforts with PVOs and their resource bodies through its members. PACT's central purpose is in fact to strengthen local institutions.

PACT's strengths in managing activities essential to the premises of PRIP are well recognized in the PVO community. PACT has managed learning exchange programs that serve as a basis for PVO study, programming, and pilot applications. PACT has developed a large range of collaborative programs on a global basis, and interagency coalitions in three Asian countries to help consortia and other NGO resource groups take the lead to build local NGO capacities. Management development and training are part and parcel of its resource transfer umbrella programs in Latin America, as well as at the US level and in various country contexts.

In Bangladesh, PACT has a reputation among local PVOs as one of the few US PVOs that has concentrated its efforts on building their capacities. It has been known as a flexible donor that responds to local needs, and provides help in programming and constructive monitoring. PACT's non-operational approach has been valued as

enlightened and timely. Through its members, PACT has supported learning groups that have forged experimental projects on NGO-local government collaboration. PACT has directly supported several consortia and resource organizations, including VISS and VERC. PACT's regional representative has thirteen years' professional experience in South Asia, having managed national NGO consultations for for the UNDP sponsored Water/Sanitation Decade that led to the formation of the Water/ Sanitation Forum as part of ADAB. This has become a major program with support from many donors.

In the last 15 years, PACT has channelled \$38 million of USAID support (matched by at least an equivalent amount of non-AID resources) to 550 projects in Latin America, Asia, Africa, and the Caribbean. In addition, it is now working closely with USAID Missions and PVOs in several countries on programs of a similar PVO capacity-building nature. More recently PACT has undertaken investigations and pilot contracts with UNDP and the World Bank.

PRIP is an exciting challenge because it puts many elements together with the added dimension of strategic planning. While this has new dimensions for PACT, previous experience in planning assistance to NGOs, learning programs, training, resource transfers, and other aspects of NGO strengthening make PACT best equipped to manage this effort, especially with the collective strength of its network and membership. In Bangladesh, PACT's special relationship with its member IVS gives the proposed project unique, on-the-spot advantages regarding administrative and logistical support. A current, more detailed update on PACT as attached as Appendix G to this document.

## 4. PROJECT ANALYSIS

### 4.A ECONOMIC EFFECTS OF THE PROJECT

Examination of the five program themes will show that three directly address the economic needs of project beneficiaries fourth partially addresses the financial strength and stability of Bangladesh PVOs.

#### 1. Increased Participation by the Poor in Local Governance

The poor remain poor for two main reasons -- meager rural resources and expropriation of those resources by unproductive rural elites. This program theme will attempt to put more resources (land, water, government services, food for work) into the hands of the poor via increasing their participation in local governance, and thus increasing their ability to channel resources that exist to their own use, rather than that of the rural elites. Once in control of such resources, the rural poor will be more productive and have increased income.

#### 2. PVO/Local Government Cooperation

At all levels of GOB, key resource person contacts and institutional relationships will be formed for complementary and joint programs. PVOs can harness participation for more effective use of local government resources- many examples of this exist. Such joint program efforts can be seeded through PRIP mechanisms. They are likely to work best in contexts where local government is most effective.

#### 3. Local Self-Help Economic Activity

In spite of Bangladesh's meager resource base, local PVOs have shown that there exist in most villages a considerable range of under-utilized and misallocated resources that can be mobilized. Many of these resources are specifically suited to women who are prevented by local custom from leaving their own homes unaccompanied. Mobilizing existing resources at existing levels of technology and management is only half the story, however. PVOs must acquire the ability to develop and introduce new income-earning possibilities which fit the resource and cultural base of the rural poor, and expand their range and capability through skill training, management training, and vertical integration of resources and marketing. There are opportunities not just to have more people increasing their ability to live at a subsistence level, but to move beyond to significantly increase production and incomes.

#### 4. Self-Financing Local Services

In order to increase productivity and income from the meager resources of Bangladesh, there is a need for outside inputs of credit and technical services. At present such inputs are unavailable to the rural poor because:

- a) there are few functional Government services providing assistance;
- b) existing inputs are too expensive for the rural poor;
- c) opportunities that exist for access to inputs are captured by rural elites.

This program area, therefore, addresses not just the problem of access to the existing inputs, but the creation of sustained of services by self-financing methods. If the rural poor can be assured of services because they can buy them, rather than depend on irregular, interrupted, and frequently expropriated "free" public services, their ability to increase incomes will be strengthened. It will also allow provision of such services to expand and reach large numbers of the rural poor at low cost.

#### 5. PVO Management Strengthening

Most observers of rural Bangladesh believe that Bangladeshi PVOs must play the lead role in bettering the lot of the rural poor. Their competence in playing these roles, however, needs to be strengthened and PRIP will address this. PVOs are able to assist the rural poor to better their incomes at a low cost because:

- a) they make extensive use of volunteers,
- b) they can plan their use of resources very flexibly, and
- c) they can energize local community resources.

Strengthening PVO management and capacity will in turn assist activities which impinge on the economic life of the poor.

#### 4.B. IMPLEMENTATION TACTICS

PRIP is a process-oriented project which will depend largely upon intensive learning processes to achieve its objectives, and will support those processes by judicious grants and contracts. Specific tactics to be used include:

- extensive consultation,
- learning groups,
- "clusters" of grants/contracts around themes for pilot initiatives,
- careful analysis in order to extract "lessons learned" from pilot initiatives,

- extension via documentation and materials production and training,
- feed back through additional field testing, and
- the leveraging of funds for extension of lessons learned to nationwide field activities.

#### 4.C PERTINENT SOCIO-CULTURAL FACTORS

In Section 3.B, "The Rural Political Economy" (above), the socio-cultural context in which PRIP will operate has been detailed. One critical barrier to the economic advancement of women is the fact that local custom discourages women from entering public market areas -- either to buy or sell. Thus aside from small transactions carried out between individual households in the village, women must rely on their husbands or a male relative to do household marketing and to sell excess household produce; they have no way of independently checking on prices charged or received. This produces particular constraints to income generating activities sponsored for many PVO-assisted women's groups. There are a few cases in which PVOs and the women's groups they sponsor have broken these barriers, as in BRAC's Jamalpur Project. But there is scope for substantial work on this critical problem.

#### 4.D PLAN FOR INSTITUTIONALIZING THE PRIP EXPERIENCE

The theme of institutionalizing management, technical, planning, and implementation/monitoring skills in participating PVOs underlies all proposed PRIP activities and processes. Institutionalization will be primarily insured through the use of Learning Groups, ie, groups formed to share research and activities to date, identify and document "lessons learned", support pre-investment activities, and develop training materials and workshops to disseminate findings in order to improve their joint impact on a specific development problem or sector. Such Learning Groups, once developed, are often self-perpetuating and continue to improve the overall professionalism in a sector after specific donor-funded support or projects are finished. This is because Learning Groups strengthen both the organizations which participate in them and the individuals representing those organizations. Each Learning Group will include representatives from voluntary resource organizations (eg, ADAB, VHSS, TARD) and from concerned individual PVOs.

The following features are expected to survive the PRIP PACD and define its long-term, institutional achievements:

- PRIP pre-investment efforts result in a new generation of PVO programs which are more effective, self-financed or leveraged with other donor funds, and/or reach previously unserved areas of Bangladesh
- PVO personnel continue to use new strategic planning, basic management, and technical skills acquired as a result of their participation in PRIP

- a significant reorientation of PVOs in Bangladesh towards more sustainable development activities and services and more self-financing activities and a commensurate decrease in dependence on foreign donor funding

- new training modules and methods are institutionalized in Bangladeshi resource institutions and more PVOs are using these institutions.

- various local voluntary resource organizations and/or consortia will be encouraged and strengthened to provide some of the more critical PRIP functions, ie, providing intermediary grantsmaking services for foreign donors and local PVOs, facilitating the formation of structured Learning Groups to address specific development problems, etc.

## 5. PROJECT DESIGN AND IMPLEMENTATION

### 5.A IMPLEMENTATION PLAN

#### 1. Administrative Arrangements/Overall Management Pattern

Arrangements for administration and management of this project reflect its dynamic, flexible nature. It seeks to achieve qualitative changes through continuous feedback and the enthusiastic participation of a number of local PVOs. These arrangements are thus characterized by relative autonomy of a locally-based senior management team provided with accountable administrative and management back-up from PACT; structures which enable project ownership and access to project services in Bangladeshi PVOs on an collegial, partnership basis; appropriate technical assistance as required from PACT and its consortium US PVO members, especially CARE, IVS, and EIL; and overall flexibility in responding to project opportunities emerging from the Bangladesh PVO community. Local PVOs will participate fully through an Advisory Committee, Program Review Committee, and Thematic Program Groups.

#### 2. The Core Management Team

To manage the project, PACT will hire a strong, senior, resident Project Coordinator (the PACT Representative ) who will receive administrative/management support from PACT, New York.

Selection of the Senior Coordinator has been mutually-agreed upon by the PACT consortium and USAID, and will be considered essential project staff in terms of the agreement between PACT and USAID. Mr. Richard Holloway (See Resume, Appendix II) has been selected as Senior Coordinator. He is a widely experienced development professional currently serving as Asia Representative with CUSO. Mr. Holloway has been strongly endorsed by PACT members, USAID, and advisor David Korten. Any change on this appointment will be on the basis of mutual agreement with the USAID project officer.

The Senior Coordinator will in turn identify a senior associate (a Bangladeshi national) with strong conceptual and leadership in skills in development programs including projects for women. Likewise, the Senior Coordinator will identify a senior accountant with strong training skills who will work closely with sub-grantees and with the project as a whole to ensure adherence to AID's accounting and monitoring requirements. These three key staff members will constitute of the "Core Management Team". They will identify additional staff and consultants needed to support PRIP.

The Core Management Team will undertake project management, facilitation and coordination of project advisory, participation and selection mechanisms, local administration of subcontracts and grants, and management monitoring and internal evaluation of the project.

Specifically, this will entail:

- Development of annual workplans to be revised regularly to reflect evolving project opportunities,
- Recruitment of full-time staff for the PRIP team at the outset, and consultants on a regular basis throughout the project period,
- Set-up and maintenance of project administrative systems and mechanisms,
- Sub-grant and contract management,
- Strategic planning and coordination with PVO partners,
- Coordination with USAID/Bangladesh,
- Regular monitoring of analytical, field, and training activities,
- Preparation of project documents and reports,
- Internal evaluation procedures, and
- Liaison with USAID and the other donors.

### 3. PACT Administrative/Management Support

PACT, an international PVO consortium based in New York, will provide administrative and management back-up to the project and will be accountable to USAID/Dhaka for project implementation. The major contact person will be Jacob Pfohl, the Associate Director for Program Services. This will specifically entail:

#### a. Financial and legal:

- Monitoring of program and financial reports
- Annual and end-of-project audit

b. Management and Program Support:

- Selection and recruitment of key personnel in consultation with PACT Member PVOs and USAID/Dhaka;
- Oversight of the Core Management Team, orientation and training for key personnel through PACT representative(s)' seminars and headquarter visits;
- Oversight of grant process records and other historical records of the project;
- Being a resource for system guideline; criteria re : grant making, grant management, and technical assistance arrangements; technical materials and human (PVO) resources required for project impacts.

Coordination:

- Linkage to US-based PVO learning programs (e.g. Small Enterprise Education Program (SEEP), a network of 40 PVOs)
- Relationships with USAID/Washington and any required coordination (e.g. sub-grant policies)
- Periodic site visits to Mission, project and PACT members most related to the project
- Facilitating relationships with the BDG

4. Government Approvals

BDG endorsement and participation will be elicited at central and local levels throughout the life of the project. All potential sub-grantees will secure BDG approval for their activities prior to receiving funds. This is the current operating mode of several foreign-funded umbrella PVO programs in Bangladesh, who in some cases have secured clearances for subgrants in bulk. Since PRIP is funding primarily small grants which are not multiyear project type assistance, but rather preinvestment studies, training and pilot activities they are generally classified as "foreign contributions" and are easier to clear than foreign aided projects. PVO sources note that currently such clearances take about two months. Their are current moves underway by Bangladeshi PVOs to discuss such procedures and simplify them further.

PACT has begun to operate an umbrella project under similar conditions in Nepal, having successfully concluded negotiations with the government at the highest levels, and obtaining support and clearances throughout the various ministries of HMG and with the NGO coordinating body established by the government.

The current BDG approval process, however, is long and complex, using much senior PVO staff time, often involving more than five ministries, and sometimes lasting several months. As part of Phase I, the PRIP Coordinator will coordinate with the BDG, other umbrella funding programs, and the PVO community at large to streamline the project approval and foreign funding disbursement processes.

Should, for one reason or another, sub-grant approvals be delayed for excessively long periods, PRIP has several means of recourse, such as:

--PACT's Assoc. Director for Program Services, already has long-term contacts in the BDG and the Project Coordinator will be cultivating more.

These contacts will be able to provide timely suggestions for overcoming such lags and may provide endorsements for PRIP activities at high levels of the BDG and

--many key activities, particularly during the first 18 months (eg, training, workshops, Learning Group formation, networking), can be funded by PACT-NY without making sub-grants to PVOs in Bangladesh.

--various institutional arrangements with local entities which could simplify clearances of subgrants will be explored.

##### 5. PRIP Advisory and Sub-grant/Contract Approval Committees

To ensure objectivity and full local PVO input into the program, the PRIP team will evolve management and advisory mechanisms to carry out the project. A Local Advisory Committee consisting of 5-10 senior development professionals, national and expatriate, will be selected by the Project Coordinator as representatives collaborating institutions or individuals. They will provide periodic, informal advice to the Project Coordinator and assist in trouble-shooting and in gaining governmental and legal support and protection for project activities. They will also provide advice on overall program development and help establish a legitimate role for PRIP in the Bangladesh PVO context.

An internal sub-committee of the Advisory Committee (called the Program Review Committee) will conduct Sub-grant/Contract portfolio reviews as needed. Grant or contract awards over \$25,000 will be approved in advance by the Program Review Committee. Committee review will guide development of the overall portfolio and thematic grants and contracts. Sympathetic government officials may, at the direction of the Advisory Committee, be included on the Program Review Committee. (Procedures regarding subgrant approval by USAID are described on p. 36)

##### 6. PVO Learning Groups

The PRIP team will consult with PVOs to facilitate creation of Learning Groups concerned with PRIP themes. Learning Groups will work through a structured process which will entail:

- a. Sharing and documenting experiences and information around the sub-theme, e.g. self financing services;
- b. Identification of existing "learning" and gaps, for experimentation, testing, documentation;
- c. Planning of studies, training, pilot projects and other activities that can strategically contribute to the "thematic" learning;
- d. Facilitation of proposals for sub-grants and contracts submission through PRIP approval mechanisms;
- e. Documenting, implementing, monitoring, evaluating the learning experiences, developing strategies for greater extension and theme advancement;

This approach envisions a timely and innovative combination of learning and applications in existing and pilot projects, technical assistance to such trials, on and off-site workshops and other structured activities, PVO consultations and the active inclusion of voluntary resource organizations sometimes backstopped by US PVOs.

#### 7. Technical Support and Assistance from the PRIP Consortium

PACT has facilitated a consortium of its members CARE, IVS, and EIL to help provide required technical backstopping of the project. PACT, CARE, IVS, and EIL will play supportive technical assistance roles as determined through local needs assessment and grant/contract identification/selection processes by the Project Coordinator. They will also provide access to their knowledge, systems and approaches for appropriate adaptation by the PRIP team. IVS will host the PRIP team in joint offices. PACT has also identified other organizational support, such as Robert Nathan Associates and US based learning groups, and can access its wide network of PVO contacts for specific inputs on request.

#### 8. Senior Bangladeshi PVO Partners

The PRIP team will emphasize cooperating with utilizing local resources, institutions and capacity to the degree possible. It will undertake PRIP activities in close collaboration with National Consortia (e.g. ADAB, VHSS, UST), and larger resources organizations (e.g. CDS, VERC, USD). It is intended that the leadership and staff capacities of these organizations will work with the PRIP team to facilitate PVO learning activities, document and store project information and material, conduct training, and undertake other PRIP processes and activities to support and facilitate the development of learning groups and their activities.

## 5.B IMPLEMENTATION OF PROJECT COMPONENTS

1. a) Implementation Schedule (Table A, attached)

b) The first eighteen months

The schematic (Table A) illustrates the steps PACT will take to implement both phases of the PRIP program. In the period preceding the 18 month evaluation the major steps to be taken to test PRIP's hypothesis are:

- Placement and arrival of the PACT representative, setup of the office with IVS, and other logistics.
  - Design of detailed workplans for an initial 18 months
  - Organize consultative meetings with participating NGOs to initiate the learning aspects of the program
  - Form and operationalize at least two of the five working groups to focus on at least five subthemes of (two of five) major themes
  - Setup internal subcommittee (program review committee) and the main Advisory committee.
  - Determine the initial sets of investigations, studies, planning and training activities, documentation, pilot project and other options.
  - Begin the grant selection and grantmaking processes, funding at least ten subgrants.
  - Organize and complete at least two training events, provide technical services to ten PVOs and complete two training modules.
  - Begin periodic review processes of subgrantees and their learning groups.
  - refine the programming approach through internal review and planning by the end of year 1.
  - continue PRIP services ( learning, funding, technical services ) Disseminate learning through at least 5 new program designs and communication support activities.
  - provide three six months reports to USAID
  - organize the 18 month evaluation in cooperation with USAID
- c) Project set-up
- a) Detailed Workplans:

ACTIVITIES	YEAR ONE				YEAR TWO				YEAR THREE			
	1	2	3	4	1	2	3	4	1	2	3	4
1. Arrival of PACT Representative. Set up of office with IVS, arrange for account purchase equipment, other logistics	->											
2. Design detailed workplans	->											
3. Extend consultative process to initiate programme using PRIP themes	->											
4. Form "learning" groups of institutions for each PRIP theme. Cluster on specific interests. Groups and clusters share experience, plan investigation, and focal pilot efforts	->											
5. Determine action/investigation, training and pilot options through the learning groups												
6. Set up systems to appraise, review, and approve "clustered" sub-grants for PRIP purposes												
7. Review and approve sub-grants emerging from the program												
8. Monitor PRIP sub-programs such as learning, technical assistance and pilot efforts are tested and completed												
9. Provide opportunities for "learning groups" to periodically analyze results of investigations studies, technical services and pilot efforts												
10. Refine overall PRIP programming processes after year one												
11. Continue PRIP learning, funding, technical assistance activities												
12. Extend learnings on each PRIP theme through strategies derived by learning groups through development, testing and use of modules and kits												
13. Provide six-month reports to USAID												
14. Conduct Impact Evaluation												

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ACTIVITIES	YEAR FOUR				YEAR FIVE			
	1	2	3	4	1	2	3	4
1. Arrival of PACT Representative. Set up of office with IVS, arrange for account purchase equipment, other logistics								
2. Design detailed workplans								
3. Extend consultative process to initiate programme using PRIP themes								
4. Form "learning" groups of institutions for each PRIP theme. Cluster on specific interests. Groups and clusters share experience, plan investigation, and focal pilot efforts								
5. Determine action/investigation, training and pilot options through the learning groups								
6. Set up systems to appraise, review, and approve "clustered" sub-grants for PRIP purposes								
7. Review and approve sub-grants emerging from the program								
8. Monitor PRIP sub-programs such as learning, technical assistance and pilot efforts are tested and completed								
9. Provide opportunities for "learning groups" to periodically analyze results of investigations studies, technical services and pilot efforts								
10. Refine overall PRIP programming processes after year one								
11. Continue PRIP learning, funding, technical assistance activities								
12. Extend learnings on each PRIP theme through strategies derived by learning groups through development, testing and use of modules and kits								
13. Provide six-month reports to USAID								
14. Conduct Impact Evaluation								

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Once in place, the Project Coordinator and his or her Deputy, supported by appropriate PACT NY guidance, will determine project staffing and formulate detailed workplans to create administrative workplans for:

- overall project advancement, organization of learning groups, and other collaborative arrangements;
- project proposal review and selection;
- project consultancies and sub-contracts;
- other necessary technical assistance;
- monitoring and continuous project refinement; and
- expansion and institutionalization strategy.

The Senior Coordinator will then assemble a team, initiate activities, and build up project staffing as required by the project.

- b) Consultative Phase: This early phase will be characterized as a stage of building up "ownership" among the local PVOs for the PRIP program. With their advice and participation, senior coordinator will initiate consultations to introduce and build with PVOs the framework for PRIP program development. The PRIP team will use the consultative phase to establish a consensus on the role of the project, ie, how it fits into the local PVO community and the baseline from which it emanates.
- c) Logistics: The Project Coordinator will set up physical offices in conjunction with IVS, Dhaka; obtain necessary visas and related requirements, set up project accounting systems; order project equipment and supplies, and carry out other logistical tasks associated with project startup.
- d) The Project Coordinator will, in consultation with USAID and the larger development community, negotiate with GOB for longer term and flexible arrangements for umbrella programs of this nature, under the guidance of the Project Advisory Committee.

### 3. Learning Group Mechanisms: Identifying Sub-grant/Contract Opportunities

Approximately two Learning Groups will be formed in any given year, each Group consisting of five to ten key PVOs interested in pursuing cooperative action on a sub-theme which falls within the five PRIP focus areas. Each Learning Group will define:

- a) Previous or ongoing experience relating to the chosen sub-theme;
- b) Gaps in that experience base that need investigation or training support, e.g., options for studies, training or dissemination grants);
- c) Key needs and opportunities for learning and potential pilot applications

This assessment will be the basis for defining programming around each PRIP sub-theme, e.g. grants/contracts for applied learning and innovative pilot activities, studies of existing realities or assessment of potential (e.g. women's market possibilities), individual training opportunities (e.g. in finance planning and management), and documentation/ dissemination of tested approaches.

After the Learning Groups have identified knowledge gaps and potential grant/contract opportunities clustered to enhance their strategic skills, they will develop proposals, invite proposals, and plan contract work options.

#### 4. Provision for Selecting Sub-grantees and Contractors Themes

Learning Groups will identify strategies and required sub-grants and contracts needed to carryout strategies through continuous dialogue with the Core Team. The Team will support strategies with direct contracting of services costing less than \$25,000. Larger sub-grants or contracts will be reviewed and approved by the internal program review committee. Sub-grants over \$5000, will also have to be reviewed by USAID. Provisions for AID approvals are described elsewhere in this document.

Proposals will have the following features:

- a) They will focus on funding people rather than things, emphasizing analysis, documentation, experimentation, networking, and other activities directed toward building institutional and strategic capacity within the PVO community.
- b) They will go to universities, consulting firms, research and training institutes, and in some cases government agencies, in addition to PVOs.
- c) In recognition of the developmental nature of activities, they will not necessarily carry specific requirements for counterpart funding.

- d) While some proposals may be wholly unsolicited, others may be developed collaboratively by project staff and the recipient organizations, and still others may be submitted in response to requests for competitive proposals.
- e) Sub-grants and contracts will have a clear strategic focus and carefully stated guidelines will indicate that a sub-grant or contract is to facilitate specified development outcomes.
- f) no activities supported will have an adverse impact on the environment. Population activities will not be supported under this project.
- g) distinct subgrants will not be a fragmentation of a larger longer term grant

To quote the PRIP PID:

"Many of the activities to be funded will be of a support nature directed to development of new institutional capacities and program prototypes rather than conventional small projects intended to provide direct delivery of services to beneficiary groups. Some will support studies of existing practices and policy issues. Others will support innovative pilot activities directed to development and documentation of effective and replicable approaches. The project is not intended to provide subsidies for actual service delivery or to sustain economically non-viable income generating activities. Each grant must be carefully assessed with regard to whether it will be contributing to development of capacities to support self-sustaining, self-financing outcomes."

Each grant request will be assessed against three criteria:

- a) To what extent does the grant support delivery of intended outputs on a significant, ultimately national, scale?
- b) To what extent will grants support development of strategic and analytical capacities in grant recipients thus strengthening development capacity within Bangladesh?
- c) To what extent will each sub-grant contribute toward enhancing the outcomes of other sub-grants made as part of the learning process?

## 5. On Site Learning, Training and Technical Services

Project proposals/1 for making cooperative progress on themes will be nurtured on the ground with broader investigative results, knowledge transfer, innovation and testing around the five themes clearly in mind. On-site learning and training about management, methods to help the poor take charge of decisions and access resources/services, and creative bonding with local government will be organically tied to real problems and observable benefits, without the lag time associated with off-site-only training schemes. On-site applications in program development--whether in existing projects or cluster pilot endeavors--will help institutionalize learning gains with minimum turnaround time, yet with great latitude for revision and adaptation.

Only sub-grant proposals which address one or more PRIP themes will be considered for funding. Several agencies working on field-based learning projects may work at different locations, for example. To tie these ventures together and exploit networks, other sub-grantees (e.g. VROs) will provide back-up themes in the form action research, documentation, other technical assistance and other activities that advance thematic outputs on a participative or contracted basis.

If technical assistance is required this may be sought from local organizations (PVO, Government, university and private sector), or from international organizations. Technical assistance of this kind may also be contracted through US PVOs as required. The need for technical assistance will be determined by consultation of the senior coordinator with learning groups and with PACT's New York based Associate Director, who is in position to liaise with both regional and international sources of technical assistance and facilitate arrangements. PACT will provide contracts or grants to institutions for the required services, either through its New York office or locally in Bangladesh. The PACT Associate Director will regularly meet with consortium members to insure their cost effective inputs into the program.

The combination of efforts for each program purpose would be closely connected not only to feed institutionalization of learning among participating PVOs (VROs are a prime vehicle for this), but to open avenues for wider program follow-up. This is consistent with the intentions of "strategic management", whereby the team employs a creative approach to expanding the reach of new programming, bringing together new partners (e.g. local government), and moving forward with geographical and/or sectoral expansion.

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1. USAID, it is understood, will not support activities that are not considered viable and consequently require permanent subsidization. It should, however, be noted that many currently non-viable labour-intensive activities could be potentially viable given credit, technology, marketing and other support. The learning groups would look into these aspects.

## 6. Monitoring and Structured Program Reflection

PRIP envisions reporting and evaluation as a practical tools to assist in adjustment of plans and activities to changing circumstances, through analysis of successes and failures.

Regular reporting of subgrantees will be required to:

- a) ensure the responsible management of grant and sub-grant funds;
- b) promote a partnership relationship with the implementing agency; and
- c) encourage recipient agencies to more systematically review progress and make adjustments for future

Two types of reports would be required for each grant/contract from all grantees/contractors:

Financial:

- quarterly reporting on the use of grant funds and
- annual audits by a qualified accountant, attesting to the receipt and use of grant funds

Narrative:

- quarterly reporting on the monitoring of activities, including information on the assessment of progress and the analysis of results.

## 7. Off Site Learning and Training

The Core Team will, with the help of contracted VROs and other resource organizations, advance PRIP themes and distill its experiences through off-site activities as well, including issue analysis, consultation, and training (e.g. in strategic management) for individual PVO assessment and capacity building. Learning groups will review the progress of each aspect of the program, e.g., PVOs interested in participation of the poor in local governance will work on fish pond management, women's participation in markets, etc., will review and learn from joint experiences in that area. Such PVO groups and the Core Team will transfer lessons learned into training modules and instruction kits for self-application and monitoring. Thus learning, training, field and offsite application are a synergistic mix of activities aimed at PVO needs.

Such needs particularly amenable to offsite training have been identified through previous PACT supported activities in Bangladesh, and include:

- strategy development: new models and planning skills vis a vis existing PVO experience
- administrative skills, financial skills, resource development
- proposal development and writing, report writing and documentation
- social process skills ( eg. participatory learning and education techniques ) crucial tools to bring about strategic gains at all levels of a program.
- analytical capability: skills in review of designs, monitoring and evaluation of PVO activities.
- coordination and relational skills: among PVOs with the BDG, donors and other resource groups
- specialized skills and techniques: Media production, training tools, development communications, public relations and use of computers in management of development programs.

Training is one of the major vehicles of implementation in PRIP. In the early stages of the program, offsite training will be relatively easier to finance and be given emphasis in building the basic skills necessary for more advanced project activities.

A minimum of at least two major training events per year, in addition to learning activities which serve training purposes, will be arranged for participating NGOs in Bangladesh. This offsite training will take advantage of local training institutes and talented trainers/facilitators and resource persons. Abroad, training will emphasize regional resources, but also take advantage of US level training opportunities, eg. current US level learning activities organized by PACT on issues such as rural credit, expansion of benefits, and PACT/member training programs on management and other topics.

Those to receive training would include selected PVO staff for whom short and longer term training experiences would measurably add to their institutions capacities in PRIP thematic areas. For example, if a PVO were to undertake market planning activities for women, their staff might be selected to attend an active market planning institute in India or southeast Asia. If a PVO were involved in a credit study or evaluation of small enterprise they might be sent to participate in PACT's small enterprise Evaluation Program (SEEP), a major US PVO sector network. Longer term training would also be provided where it could make an impact on a specific agency need, eg, a key middle manager at BRAC who would be sent to AIM for a degree program in management. A VERC audiovisual/documentation or materials specialist needed for PRIP purposes might also be trained in the region or the US.

PACT's regional network, New York office and the program coordinator will arrange these training opportunities for trainees identified through the PRIP process and through regular assessment of PVO training needs on-the-ground.

All off-site training will be related to PRIP purposes. An average of \$130,000. of subgrant resources will be allocated to training per

year, to be used for an estimated ten shortterm trainees and three longer term trainees. (As per USAID external training cost estimates). Locally arranged training/learning events are also included in this estimate.

In the US, consortium PVOs will meet quarterly to share experiences and contribute to the evolution of the PRIP. They will review lesson learned under the project and how this may influence their strategies and programs in Bangladesh and elsewhere.

#### 8. Moving From Learning Groups to National Impact

At the end of year, project partners will convene to identify possibilities for:

- a) Extending lessons learned (about field project management, strategic planning, PVO/local government collaboration, etc..) to other PVOs in Bangladesh, and to the development community in general,
- b) Expanding the use of successful new implementation tactics to ongoing PVO programs throughout the country, and
- c) In consultation with USAID, PACT, its consortium members, and local PVOs, approaching other donors and the BDG to support expansion of some of the more promising, innovative pilot projects which have potential for national impact.

The above activities imply the creative use of sub-grant/contract resources for the development and production of information/communication resources to extend the lessons learned in the project. These findings will be built into new cluster programs for PRIP advancement purposes.

#### 5.C EVALUATION AND REPORTING TO USAID

PACT's accountability to AID is a function of its role as the intermediary organization between USAID and PRIP-funded US PVOs, local PVOs, and other resource institutions.

The Appendix to this proposal provides information on existing PACT procedures to ensure financial and programmatic accountability for its sub-grantees. It is expected that this experience will be shared with the Core Team. With its experience as an intermediary between AID and US and local PVOs, PACT will make a special effort to help the Core Team fulfill obligations to both parties, while assuring the autonomy of the Team. Where necessary, the Core Team will ask PACT - New York to carry out grant, contracting, or other administrative actions.

For example, PACT requires agencies to submit periodic financial and narrative reports on projects receiving PACT funds. These reports are reviewed as part of an ongoing internal monitoring system.

Moreover, these reports fit within an overall program of evaluation and re-assessment designed to provide a review and analysis of PVO experience and thus strengthen existing and future projects. Such reporting is seen as an integral part of a responsible donor's obligations.

Core team interactions with USAID will include:

1. Funding Approvals

The procedures listed below will be followed:

- a) PACT needs no prior approval for sub-grants up to \$5,000, not involving foreign training. After one year, this ceiling may be raised to \$10,000 (NB: USAID Standard Grant Provisions establish special requirements for subgrants exceeding \$10,000). All grants will, of course, be documented in the next annual or quarterly report.
- b) For sub-grants greater than \$5,000 and less than \$25,000, the project Coordinator will submit sub-grant proposals and proposed sub-grant agreements to the USAID Project Officer. No objection within two working weeks signifies approval.
- c) For sub-grants greater than \$25,000 and less than \$50,000, the Project Coordinator will submit sub-grant proposals and proposed sub-grant agreements to the USAID Project Officer for approval by the Office Director for Program. No objection within three working weeks signifies approval.
- d) For sub-grants greater than \$50,000 and less than \$100,000, the Project Coordinator will submit sub-grant proposals and proposed sub-grant agreements to the USAID Project Officer for formal approval by the Office Director for Program and clearance by the Regional Legal Advisor, Controller and Grant Officer.
- e) For all sub-grants greater than or equal to \$100,000, the Project Coordinator will submit sub-grant proposals and proposed sub-grant agreements to the USAID Project Officer for formal clearance by the Office Director for Program, the Regional Legal Advisor, Controller, and Grant Officer for formal approval by the Mission Director.

**CAVEATS:** All of these ceilings may be raised after the first year of implementation. All candidates for overseas training, regardless of cost, must be processed through the USAID Training Unit, using the PIO/P form, prior to receiving their visas. Also, the above procedures apply to actual subgrants made, not to funds cleared in bulk for BDC clearances .

## 2. Periodic Reports

Semi-annual reports will be submitted to AID summarizing:

- a. Major activities,
- b. Progress under PRIP-funded sub-grants and contracts, and
- c. The impact of technical assistance.

The specific content and format of semiannual reports will be worked out by the Core Team and cooperating PVOs with the USAID Project Officer. These reports will be responsive to both USAID and PVO needs for particular, timely information.

The Core Team will submit, after PACT-New York review and approval, quarterly financial reports as required by the USAID Controller Office.

The Core Team will maintain frequent (weekly) contact with the USAID Project Officer. A representative of the PACT-New York office will visit Dhaka roughly twice a year to provide the Core Team with support and advice.

Finally, PACT is annually audited by the Certified Public Accounting Firm of Coopers and Lybrand. Copies of annual audit reports will be made available to the USAID Project Officer.

## 3. Evaluation

PACT, other consortium members, and USAID will conduct a joint evaluation of this project, utilizing the services of a mutually acceptable third party at mid-term and prior to completion of PRIP. Evaluators will use PACT's and IVS' special expertise in developing participatory evaluation strategies. Methods used will include: field observation, rapid rural appraisal, semi-structured interviews, and frequent contact with the rural poor.

The final evaluation will measure changes in Bangladesh PVO strategic capacity as accomplished through PRIP and effects on field program design and implementation of field programs. Progress toward thematic objectives of PVO learning groups will also be assessed.

By the end of the first 18 months of "PRIP" the first major evaluation will be conducted, utilizing both "Quantitative" and "Qualitative" indicators as evidence of progress within the project's initial two-year phase. While at this pre-project stage it is not possible to enumerate and define in detail all such indicators, the following represents major projected benchmarks:

4. Quantitative Indicators - 18 Months

- PRIP will have organized activities around at least eight subthemes of the five PRIP program areas
- At least 3 "Learning Groups" of 2-7 PVOs each will be in operation, each concentrating in one or more of the five PRIP program themes, and in the aggregate covering three of the five themes.
- In connection with the above, two successfully-completed training workshops will have been conducted in a) program, b) management, c) strategic issues, each training at least 10 key staff from 2-7 agencies.
- At least two training modules completed around program, management and strategic aspects of the five PRIP themes; each in operation and ready for adaptation to the curricula of local training institutes.
- Technical Services to at least 10 PVOs working in distinct geographic areas for the purpose of strengthening programmatic, managerial and strategic applications at office or project site.
- 10-20 subgrants/ contracts totalling up to approximately \$750,000 for PVO pre-investment, technical assistance, training, pilot and expanded project activities which grow from Learning Groups, applications and on-site technical services - and which in the aggregate cover all five PRIP themes.
- At least five program designs developed for wider impact by the learning groups with at least two collaborative PVO pilot or expanded projects in one or more PRIP themes passed to other donors.
- At least an additional 5-10 PVO projects planned for submission to the PRIP Project Selection Committee over the coming year, in the aggregate covering all five PRIP themes.
- At least 2 new PVO "Learning Groups" in formation to start work in the coming year, covering all five PRIP themes.

5. Qualitative Indicators - 18 Months

- Evidence of more effective PVO approaches to client communities, associations and other beneficiary sub-groups, through better development communications skills and more responsive technical counselling around PRIP themes.
- Evolution of better management, accounting and monitoring systems among participating PVOs.

- **Sharper PVO strategic focus, evidenced through specific collaborative PVO plans, PVO cooperation with others such as local community entities and government, etc.**
- **Stronger PVO capacities to promote, sustain and extend development around PRIP themes through professional growth which does not overextend organizational resources.**
- **Increased use of community-level volunteers, and development of community resource people across PRIP themes, among participating PVOs - to stretch their resources and build local sustainability.**
- **More thematically-informed, managerially-sound and strategically-aware PVO pre-investment, pilot and expanded projects for PRIP Project Selection Committee and other donor consideration.**
- **Greater expressed community, PVO, government and donor interest in the overall PRIP effort.**

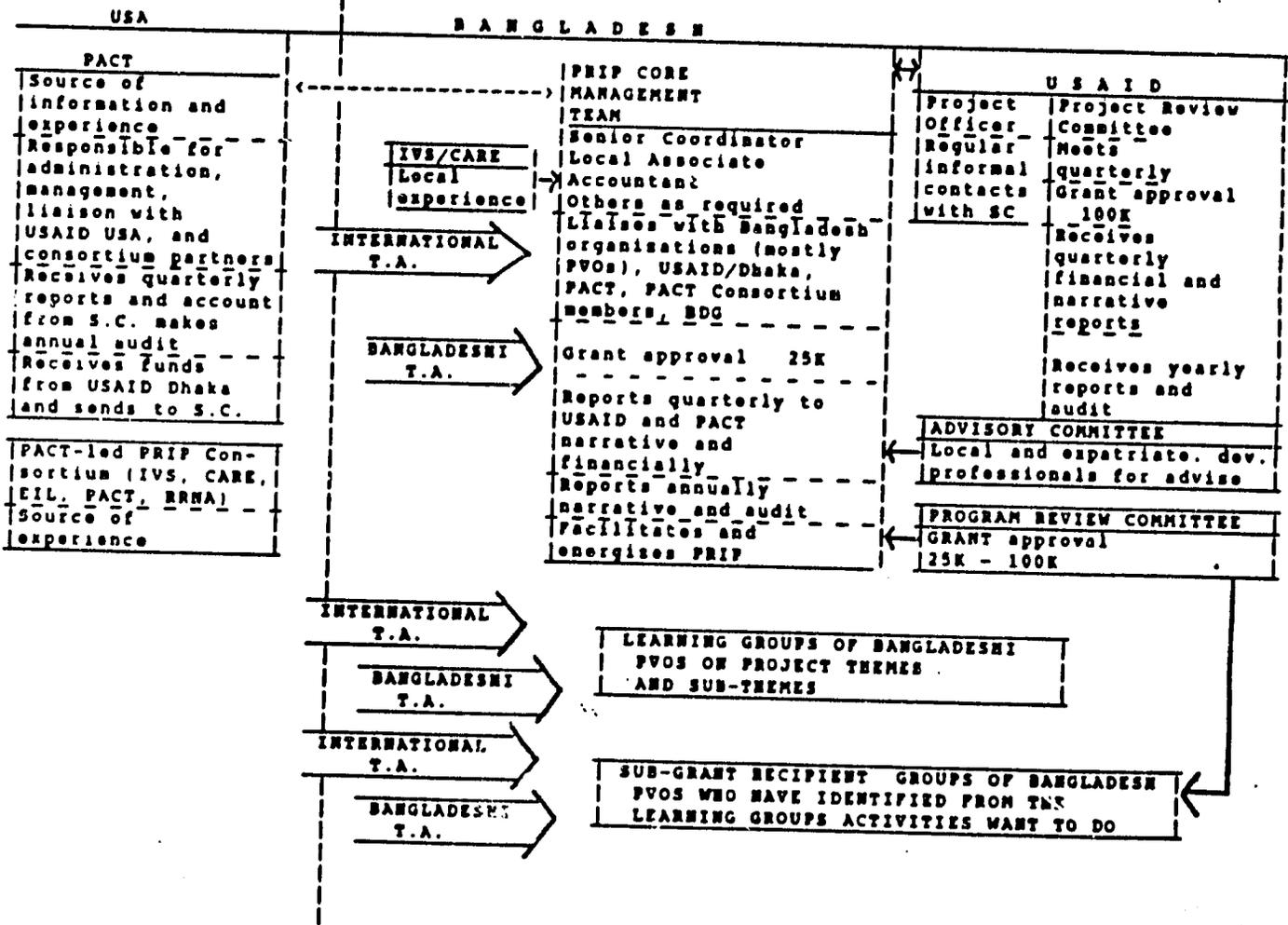
## **6. Basis for Extension into Phase II**

**If the majority of the benchmarks are achieved and the evaluation determines the project is viable, (i.e. its progress demonstrates the feasibility of achieving its purpose in a second phase) the project will be continued for a second three to four year phase.**

**Particularly important will be the acceptance of PRIP by both BDG and local PVOs, and whether PRIP mechanisms can operate flexibly enough to achieve project purposes in the local context.**

# 5.D MANAGEMENT STRUCTURE

## MANAGEMENT, ADVISORY, ADMINISTRATION AND RESOURCE STRUCTURE FOR P.R.I.P.



## 6. ASSUMPTIONS

This innovative project will work with Bangladeshi PVOs in ways that USAID has not done before. PRIP will lack a clearly defined BDG counterpart whose role is spelled out in a project document. It assumes that a dynamic, creative team will find ample opportunity of collaborative work with Bangladeshi PVOs.

To the extent that there are common interests between the project team and the collaborating Bangladesh partners, there is opportunity for focused, useful strategic work to be accomplished. This assumption has been tested by sharing this document with Bangladeshi PVOs and soliciting their reactions, but will need to be further tested in practice.

There are other assumptions behind this document, that are worthwhile to spell out, since PRIP cannot succeed if they are proved wrong.

1. There is sufficient political stability to maintain project impetus.

PRIP will rely upon good communications, frequent travel, and sufficient political "space" within the country to allow PVOs to operate. A large increase in political instability will restrict travel and PVO ability to operate, and severely hamper PRIP.

2. BDG policy in favor of decentralization and land reform continues.

Much of the work of PRIP is closely associated with these Government policies. If decentralization objectives are cast aside, PRIP will be severely hampered. An end to land reform efforts will also be a serious blow.

3. Resistance by rural elites to gains by the poor is controlled.

There are many examples from rural Bangladesh where elites have responded to efforts by the rural poor to increase access to resources and services by resistance and in some instances violence. If such reactions become frequent, PRIP progress will be greatly slowed. Each learning group will need to address this issue.

4. The BDG continues to recognize the positive contributions of PVOs to rural development in Bangladesh.

If officials take an opposing stance, PRIP activities will be severely handicapped.

5. There is sufficient BDG and popular political backing for PRIP to overcome blocks.

This project does not yet have a cooperative BDG partner, and

it is hoping to work with individual local government officials to develop a stronger constituency in BDG over time.

6. BDG services to rural areas continue .

PRIP aims to make existing BDG services more accessible to the poor. If budgetary or other constraints restrict BDG ability to deliver services to the upazila level, it will restrict a main aim of the project.

7. Bangladeshi PVOs are willing to share experience and information.

It has been observed that the current level of collaboration between Bangladeshi PVOs is modest. There are, however, promising indications that, on specific sub-themes, PVOs are willing to move toward a more strategic, collaborative stance. The success of PRIP depends on it.

Apart from these assumptions, there are others, over which the actors have more control:

- A. The project, staff and subgrants receive Government approval;
- B. The project team perform as expected;
- C. Pertinent technical assistance is identified;
- D. PACT delivers expected management and administrative support services; and
- E. USAID delivers its funds in a timely fashion, and provides a supportive context for project implementation.

7. FINANCIAL PLAN/ESTIMATED COST

In order to undertake the project outlined in the previous pages PACT requests USAID/Dhaka to provide a five year Operational Program Grant in the amount of \$ 5,000,000, to be administered by PACT on behalf of the consortium and the Bangladesh-based program. Project funds will finance all foreign exchange and local costs under the project. The proposed budget is provided as Table 3, shown in two Phases. The first Phase request totals 1.9 Million USD.

Participating local and USPVOs will provide in-kind contributions of staff time, partial travel costs, field based resources, and use of their office vehicles etc.. Users' fees for PRIP services may be required on a case-by-case basis.

IVS, a PACT member hosting PRIP, will be reimbursed from project funds for covering certain operating costs, specifically rent, office equipment, and utility and communication costs. Other local operating costs will be handled directly by the Project Coordinator.

Financing will be accomplished through Cooperative Agreement between USAID and PACT. PACT operates similar programs of this magnitude

through a letter of credit system following standard USAID provisions for PVO grantees.

The budget analysis shows that non-program costs (including the Core Management Team) and overheads total 39% of the budget. Direct Program Costs, i.e., contracts/sub-grants and the costs of meetings, seminars and workshops average about 61% of the total budget.

#### 1. Cost Sharing and In-Kind Contributions

PACT is requesting a waiver of the 25% recipient contribution routinely required by AID OPGs due to the qualitative nature of this program in that it does not support core PVO activities but capacity building and program design activities.

While PACT and its members do not have largescale cash resources to match costs for this particular type of program, it will make in-kind resources available and leverage other assistance to add value to the project. PACT and member preparatory work has been one contribution- both in the field and in headquarters. In terms of member coordination, a minimum has been requested from USAID. PACT and its members have indicated they will match from their own travel and other personnel budgets expenses needed to maintain proper US PVO inputs into the program.

PACT and its member facilities and networks will be put at full disposal to the program. US based learning groups, educational materials and products, field programs training designs and materials, data systems, etc. will be added inputs. Additional PACT and member staff time to what is budgeted will be provided on an as needed basis.

PACT's experience in managing OPGs indicates extensive leveraging potential for the program, both locally and through PACT networking. That is, a number of opportunities for major new field projects with high positive impact on the incomes and political autonomy of the rural poor will be identified. USAID and other donors may be approached for funding, as appropriate.

PACT has successfully raised multilateral resources in other countries, for example, and has already initiated discussions with UNDP and IBRD regarding Bangladesh. PACT will keep such agencies appraised of emerging program opportunities from PRIP.

To the degree possible, PACT members and local Associate agencies will make support available in terms of information, computer hardware systems, audiovisual equipment, training materials, and office facilities. They will also contribute substantial amounts of voluntary time.

For pilot subgrants, on a case-by-case basis, matching funds and in-kind resources will be provided by recipient NGOs. This will be a considerable matching component. However the qualitative nature of the program would limit this as a requirement on certain pilot projects longer than 3 months.

PRIVATE RURAL INITIATIVES PROJECT (PRIP) BUDGET

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>RESIDENT PERSONNEL</b>					
Program Coordinator Salary and Benefits (Assumes 6% p.a. COLA/merit increase)	58,000	61,480	65,169	69,079	73,224
HNE Shipment/Settling In	3,500				4,000
Housing Allowance	8,000	9,200	10,580	12,167	13,992
Educational Allowance	4,600	4,830	5,072	5,325	5,591
Travel to Post/Home Leave	4,000		6,000		4,000
<b>Consultants and Locally Hired Staff</b>					
Associate Director	20,000	21,200	22,472	23,820	25,250
Administrative Secretary	2,000	2,120	2,247	2,382	2,525
Accountant/Trainer	3,500	3,710	3,933	4,168	4,448
Consultants/Additional Staff	40,000	42,400	44,944	47,461	50,499
<b>ADMINISTRATION/NEW YORK BASED</b>	27,300	28,900	30,700	32,500	34,500
Fund Director, 5%					
Regional Director, 15%					
Administrative Assistant, 15%					
Secretary, 10%					
<b>TECHNICAL ASSISTANCE (USPVO/OTHER)</b>	125,000	100,000	80,000	50,000	50,000
<b>INTERNATIONAL TRAVEL</b>					
Dhaka-NY-Dhaka (\$3,000) Coordinator (Orientation trip in yr. 1 included in travel to post. above)	3,000	3,150	3,308	3,473	3,647
NY-Dhaka-NY (\$3,000) PACT Regional Director (Reg'l Director in region on other business 2-3 times/yr. USAID/Dhaka will pay 1 trip)	3,000	3,150	3,308	3,473	3,647
Kathmandu-Dhaka-Colombo (\$600) PACT Regional Director (Reg'l Director will visit Dhaka in conjunction with other regional activities)	1,200	1,260	1,323	1,389	1,459
Per Diem Dhaka (50 x \$53 p.d.) (USG p.d. rates in Dhaka don't escalate even 5% p.a.)	2,650	2,783	2,922	3,068	3,221
Other Travel	3,000	3,000	3,000	3,250	3,500

3. Budget

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PRIVATE RURAL INITIATIVES PROJECT (PRIP) BUDGET, CON'T  
Page Two

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>PARTNER COORDINATION</b>					
CARE					
FVS	4,000	4,000	4,000	4,250	4,500
EIL	4,000	4,000	4,000	4,250	4,500
	4,000	4,000	4,000	4,250	4,500
<b>LOCAL OPERATING COSTS</b>					
Vehicle	15,000				
Vehicle Operation/Maintenance	8,000	9,200	10,580	12,167	13,992
Office Equipment	11,500				
Personal Computer					
Plain Paper Copier					
Electric Typewriter					
Furniture					
Air Conditioner					
Rent/Utilities	6,000	6,900	7,935	9,125	10,495
Supplies, Mail	7,000	8,050	9,257	10,646	12,243
Production of Training Materials	1,000	1,000	1,000	1,000	1,000
(Small independent fund for non-sub-grant specific materials)					
Training/AV equipment & Supplies	3,000	1,000	1,000	1,000	1,000
(Small independent fund for non-sub-grant specific materials)					
Communications	4,000	4,600	5,290	6,083	6,996
Other	2,000	2,300	2,645	3,042	3,498
Fax Machine	3,000				
<b>TOTAL NON-PROGRAM COSTS</b>	<b>381,250</b>	<b>332,233</b>	<b>334,685</b>	<b>317,368</b>	<b>346,227</b>
<b>PROGRAMS</b>					
Workshops/Seminars/Training (local/foreign)	126,000	126,000	130,000	132,000	134,000
Theme Sub-Group Meetings	4,000	6,000	8,000	10,000	12,000
Subgrants	261,950	394,873	472,333	379,739	366,881

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PRIVATE RURAL INITIATIVES PROJECT (PRIP) BUDGET, CON'T  
Page Three

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
TOTAL PROGRAM COSTS	391,950	526,873	610,333	541,739	512,881
TOTAL DIRECT COSTS	773,200	859,106	945,018	859,107	859,108
OVERHEAD @16.4% OF TOTAL DIRECT COSTS	126,800	140,894	154,982	140,893	140,892
ANNUAL REQUEST	900,000	1,000,000	1,100,000	1,000,000	1,000,000
TOTAL REQUEST 5,000,000.					
ANALYSIS (Non-program + Overhead)/Total Costs	56.45%	47.31%	44.52%	45.83%	48.71%
Program/Total Costs	43.55%	52.69%	55.48%	54.17%	51.29%

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The cash estimated value of these contributions totals about 10% per year of the request from USAID, or \$500,000 in the life of the project. As agreed, USAID will not require a 25% as required for standard OPGs due to the nature of the project and agreement. This is the case in several other USAID/PACT relationships, in which PACT has attained intermediary status. In our planned PVC grant, for the next three years, no matching funds are required since the project is also facilitating qualitative changes in PVO programs.

## 2. Level of Effort/Expenditure on subgrants and contracts

PACT estimates the budgeted levels for training and subgrants/contracts are realistic. It is possible that first year start-up funding may be delayed until working groups are functioning and administrative/channeling systems are in place. However, the early stages of the project are more likely to incur costs in basic management development skills as well as strategic planning, thus several major subgrant programs could be initiated for this purpose. These would be relatively more expensive per grant/contract than the small subgrants/contracts supporting the other PRIP themes. Later, smaller grants are likely to predominate but at a greater rate of activity, as the working groups on PRIP themes accelerate their work.

The rationale for this rate of expenditure is due to the high level of existing competence in the national PVO community; previous PACT experience in grantmaking programs, including the funding many agencies involved in capacity-building efforts with similar mechanisms; and the high potential for programming in the PRIP theme areas which are already key concerns of Bangladeshi PVOs.

## 3. Budget < see previous pages >

## 8. CONDITIONS

### 8.A GOVERNMENT APPROVAL

Sub-grantees will be responsible for clearing their PRIP-funded budgets and activities through all necessary BDG channels. Since most subgrants/contracts are for preinvestment/training/studies, etc. they are classified as foreign contributions. These clearances are relatively easier than longterm multiyear project clearances, i.e., clearances for foreign aid. PACT will ensure that regulations are followed as the procedures are modified by BDG.

### 8.B ENVIRONMENTAL REVIEW OF SUBGRANTS

The vast majority of activities and subgrants financed under this program will involve technical assistance, workshops, training, seminars, studies, and institution building. Such activities are exempt from application of environmental procedures under Section 216.2 (c)(2) of AID Regulation 16. Before providing assistance to any organization to support activities

directly affecting the environment (such as construction of facilities, water supply systems, etc.), PACT will develop procedures, consistent with the requirements of AID Regulation 16, for reviewing, analyzing and addressing environmental concerns. PACT will advise USAID on its procedures and ensure these procedures are completed before any funding for environmentally significant activities is approved. The requirement to develop and implement environmental review procedures for activities directly affecting the environment will be reflected in the cooperative agreement.

### 8.C Population Activities

This program will not undertake population activities or support such activities under this agreement.

### 8.D COMPLIANCE WITH BUMPERS AND LAUTENBERG AMENDMENTS

PACT will specifically flag for AID review and prior approval any activity proposed for financing (including, eg, feasibility studies, consultancy, publications, training, establishment of facilities) relating to growth or production of agricultural products or manufacture of textiles, garments, leather products, etc., for export. This requirement will be reflected in the cooperative agreement.

### 8.E WAIVERS REQUESTED

- a) For travel approvals--to ensure flexible management and co-ordination of the project
- b) 25 % Matching contribution

### 8.F OTHER RESOURCES

PACT and its consortium members, have a broad range of skills that can be made available where appropriate on a sub-grant or contract basis. PACT members, not limited to consortium members listed below, have specific capabilities of great potential value to PRIP:

#### 1. CARE:

In addition to being a project/sub-grant collaborator and an Advisory Group member, CARE is in a position to:

- a) Offer PVO staff training (particularly on-the-job) in finance and administration, data management, administrative systems, and in such programmatic areas of small-scale agriculture and agro-forestry, women's development, small enterprise, and irrigation management;
- b) Be a focal point for BDG/PVO collaboration, via the Upazila/Union focus of many CARE projects; and
- c) Provide reimbursable technical assistance (via in-country and regional Technical Assistance Experts) in sectoral areas already mentioned.

2. IVS/Dhaka:

IVS is already an active facilitator working with Bangladeshi PVOs and VROs, facilitating learning-linkage projects among them with PACT support. Consequently, it can take a lead role in catalyzing Bangladeshi Learning Groups on-the-ground. IVS's growing core of technical services to national groups allows it to offer management training customized to the institutional challenges at hand. The agency will be a principal on-the-ground resource for helping Core Team achieve institutionalization of lessons learned under PRIP.

3. EIL:

EIL can offer assistance in the areas of PVO management developments and organizational processes, can work with service provider organizations and similar VROs, and can assist in development of training courses and consultancies. EIL is also a resource for PVO management studies. EIL plans to submit a plan for a management development assessment as a key undertaking within PRIP.

4. Dr. David Korten:

The originator of the PRIP concept will be available as a frequent, short-term consultant to PRIP, through a sub-contracting arrangement with the Institute for Development Research (IDR).

F. PACT's Status as an intermediary

PACT is exempt from the Privacy Test requiring that 20% of its international activities are funded by non-USG sources and is a registered PVO eligible to participate in the PVO grant program. It should be noted that PACT has intermediary status in its relationship with USAID/PVC and is also exempted in its recently approved agreement with PVC from 25% matching requirements for subgrants under that program.

LOGICAL FRAMEWORK FOR BANGLADESH PRIP PROJECT

<u>NARRATIVE SUMMARY</u>	<u>OBJECTIVELY VERIFIABLE INDICATORS</u>	<u>MEANS OF VERIFICATION</u>	<u>ASSUMPTIONS</u>
<p><u>Goal</u></p> <p>A more productive rural economy achieved by the rural poor, especially women, having greater access to, control of and skills in managing productive resources &amp; services</p>	<p><u>Measures of Goal Achievement</u></p> <ul style="list-style-type: none"> <li>- increased economic opportunities for landless, especially women</li> <li>- Increased production from local resources</li> <li>- Larger numbers of people using and controlling local resources and services</li> </ul>	<p><u>Means of Verification</u></p> <ul style="list-style-type: none"> <li>- Narrative and financial reports from grantees</li> <li>- Base-line surveys by grantees</li> <li>- External monitoring for analytical purposes</li> <li>- PVO research</li> </ul>	<p><u>Concerning the Long-Term Value of the Project</u></p> <ul style="list-style-type: none"> <li>- Government policy in favor of decentralization and land reform maintained</li> <li>- Sufficient political stability to maintain project impetus</li> <li>- No expected increase in violence disruptive of Program activities</li> </ul>
<p><u>Purpose</u></p> <p>1. To build the technical and other capacities of PVOs operating in Bangladesh, to more effectively use internal and external resources.</p> <p>2. To support collaborative efforts (PVO/PVO, PVO/Govt, PVO/Private Sector) to achieve the above</p>	<p><u>End of Project Status</u></p> <ul style="list-style-type: none"> <li>- 20 PVOs practicing strategic planning skills which have achieved the desired results</li> <li>- 10 collaborative efforts which have achieved the desired results</li> </ul>	<p><u>Means of Verification</u></p> <ul style="list-style-type: none"> <li>- Reports of the Project Coordinator</li> <li>- Numbers of PVO staff who have undergone training in strategic planning skills</li> <li>- Number of PVOs who have designed and implemented strategic and collaborative projects</li> <li>- Evidence that women have been significantly involved in both PVO management and the achievements of PVO projects</li> </ul>	<p><u>Affecting Purpose to Goal Link</u></p> <ul style="list-style-type: none"> <li>- Sufficient members of Bangladeshi PVOs accept and work with the project</li> <li>- PVOs accept the value of collaborative efforts</li> <li>- Government recognition of PVO's contribution to developed countries to be recognized</li> <li>- The PVOs can and will mobilize new resources (external and internal) to sustain new developed programs derived from the PRIP experience</li> </ul>
<p><u>Outputs</u></p> <p>Increased capacity of PVOs in five program areas:</p> <p>1. Broadened base of participation in local governance, especially regarding allocation of public resources</p>	<p><u>Magnitude of Outputs</u></p> <p>Five separate clusters of activity, each focussed on one or more program areas, and each including over a pre-defined period:</p> <p>1. 1-4 "Learning Groups" of 2-7 committed PVOs</p>	<p><u>Means of Verification</u></p> <ul style="list-style-type: none"> <li>- Visits with and reports from PVO Learning Groups on progress</li> <li>- Training workshop evaluations and follow-up observations by participants and observers</li> </ul>	<p><u>Affecting Output to Purpose</u></p> <ul style="list-style-type: none"> <li>- Continued Government services to rural areas. Continued Government policies in favor of land reform interest by PVOs in the 5 program areas. Continued existence of active PVOs in Bangladesh</li> </ul>

7. LOG FRAME

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**LOGICAL FRAMEWORK FOR BANGLADESH PRIP PROJECT, CON'T**

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<ol style="list-style-type: none"> <li>2. Greater availability and reliance on locally managed self financing services</li> <li>3. Strengthening support systems advancing the variety and profitability of self help income generating activities available to the poor</li> <li>4. Effective management training and technical assistance to PVOs by Bangladeshi organizations</li> <li>5. Greater collaboration with local government to empower the poor</li> </ol>	<ol style="list-style-type: none"> <li>2. 2-4 formal training workshops in program, management, and strategic issues</li> <li>3. Ongoing technical assistance consultancy to participating PVOs in program, management, and strategic applications</li> <li>4. One or more grants/contracts for studies, pilot actions, inter-agency consultations, other follow-up on applications and collaborative ventures</li> </ol>	<ul style="list-style-type: none"> <li>- Program Coordinator's reports</li> <li>- Evidence of institutional progress based on the effectiveness of PVO field applications as assessed by PRIP staff/consultants</li> <li>- Sub-grantee reports on progress, roadblocks and effectiveness of solutions during field applications</li> <li>- Hard results from studies, pilot actions, other applications and collaborative endeavors</li> </ul>	<ul style="list-style-type: none"> <li>- Sufficient governmental and political backing for the PRIP to overcome blocks; and continued political space for PVOs and tolerance of them by Government</li> </ul>
<p><u>Inputs</u></p> <p>Money and human resources for:</p> <ol style="list-style-type: none"> <li>1. Learning activities (training, exposures, learning group formation, meetings, investigations, analysis, cross-fertilizations)</li> <li>2. Capacity building grants/contracts (case studies, feasibility studies, documentation - print and AV - pilot initiatives)</li> <li>3. Travel</li> <li>4. Provision of Coordinator</li> <li>5. Staff and Consultants</li> <li>6. Local Operating Costs</li> <li>7. PACT Overheads</li> </ol>	<p><u>Level of Effort and Expenditure for Each Activity</u></p> <ol style="list-style-type: none"> <li>1. 15-20 events per year at \$90,000 over 5 years</li> <li>2. 15 Clusters of 5-10 sub-grants averaging a total of \$50,000 per year</li> <li>3. Local and International travel at \$77,708 over 5 years</li> <li>4. One Senior Coordinator for 5 years at \$429,809 (including travel, etc.)</li> <li>5. 2 National Staff and International/Local Consultants, totalling \$461,228</li> <li>6. Local Operating Costs averaging \$120,000 per year</li> <li>7. PACT Overheads estimated at \$120,000 per year for 5 years</li> </ol>	<p><u>Means of Verification</u></p> <ul style="list-style-type: none"> <li>- Records/Reports of sub-grantees</li> <li>- Records/reports of Project Coordinator</li> </ul>	<p><u>Affecting Input to Output Link</u></p> <ul style="list-style-type: none"> <li>- USAID delivers requested funds in a timely fashion</li> <li>- The Project Coordinator performs as expected; and pertinent technical assistance can be identified</li> <li>- Bangladeshi PVOs are open to sharing experience and information</li> <li>- PACT delivers expected administrative and management functions</li> <li>- USAID continues to operate in Bangladesh</li> </ul>

MANDATORY STANDARD PROVISIONS FOR  
U.S., NONGOVERNMENTAL GRANTEEES 1/  
INDEX OF  
MANDATORY STANDARD PROVISIONS

- |                                   |                                  |
|-----------------------------------|----------------------------------|
| 1. Allowable Costs                | 7. Ineligible Countries          |
| 2. Accounting, Audit, and Records | 8. Nondiscrimination             |
| 3. Refunds                        | 9. U.S. Officials Not to Benefit |
| 4. Revision of Grant Budget       | 10. Nonliability                 |
| 5. Termination and Suspension     | 11. Amendment                    |
| 6. Disputes                       | 12. Notices                      |

1. ALLOWABLE COSTS (NOVEMBER 1985)

The grantee shall be reimbursed for costs incurred in carrying out the purposes of this grant which are determined by the grant officer to be reasonable, allocable, and allowable in accordance with the terms of this grant, any negotiated advance understanding on particular cost items, and the applicable\* cost principles in effect on the date of this grant.

\* NOTE: For Educational Institutions use OMB Circular A-21; for all other non-profits use OMB Circular A-122; and for profit making firms use FAR 31.2. and AIDAR 731.2.

2. ACCOUNTING, AUDIT, AND RECORDS (MARCH 1987)

(a) The grantee shall maintain books, records, documents, and other evidence in accordance with the grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The grantee's financial management system shall provide for the following:

(1) Accurate, current, and complete disclosure for each A.I.D.-sponsored project or program in accordance with the reporting requirements of this grant. While A.I.D. requires reporting on an accrual basis, the grantee shall not be required to establish an accrual accounting system but shall develop such accrual data for its reports on the basis of an analysis of the documentation on hand.

1/ When these Standard Provisions are used for cooperative agreements, the following terms apply:

- "Grantee" means "Recipient"
- "Grant" means "Cooperative Agreement," and
- "A.I.D. Grant Officer" means "A.I.D. Agreement Officer."

OPTIONAL STANDARD PROVISIONS FOR  
U.S., NONGOVERNMENTAL GRANTEES

The following standard provisions are required to be used when applicable. Applicability statements are contained in the parenthetical statement preceding the standard provision. When a standard provision is determined to be applicable in accordance with the applicability statement, the use of such standard provision is mandatory unless a deviation has been approved in accordance with Paragraph 1E of Chapter 1 of Handbook 13. Each grant is required to have a payment provision. Check off the optional standard provisions which are included in the grant. Only those standard provisions which have been checked off are included physically within this grant.

- |  |               |
|--|---------------|
| 1. Payment - Letter or Credit                                    | _____         |
| 2. Payment - Periodic Advance                                    | _____ ✓ _____ |
| 3. Payment - Cost Reimbursement                                  | _____ ✓ _____ |
| 4. Air Travel and Transportation                                 | _____ ✓ _____ |
| 5. Ocean Shipment of Goods                                       | _____ ✓ _____ |
| 6. Procurement of Goods and Services                             | _____ ✓ _____ |
| 7. A.I.D. Eligibility Rules for Goods and Services               | _____ ✓ _____ |
| 8. Subagreements   | _____ ✓ _____ |
| 9. Local Cost Financing with U.S. Dollars                        | _____ ✓ _____ |
| 10. Patent Rights  | _____ ✓ _____ |
| 11. Publications   | _____ ✓ _____ |
| 12. Negotiated Indirect Cost Rates -<br>Predetermined            | _____ ✓ _____ |
| 13. Negotiated Indirect Cost Rates -<br>Provisional              | _____ ✓ _____ |
| 14. Regulations Governing Employees                              | _____ ✓ _____ |
| 15. Participant Training   | _____ ✓ _____ |
| 16. Voluntary Population Planning                                | _____ ✓ _____ |
| 17. Protection of the Individual as a<br>Research Subject        | _____ ✓ _____ |
| 18. Care of Laboratory Animals                                   | _____ ✓ _____ |
| 19. Government Furnished Excess Personal<br>Property             | _____ ✓ _____ |
| 20. Title to and Use of Property (Grantee<br>Title)              | _____ ✓ _____ |
| 21. Title to and Care of Property (U.S.<br>Government Title)     | _____ ✓ _____ |
| 22. Title to and Care of Property<br>(Cooperating Country Title) | _____ ✓ _____ |
| 23. Cost Sharing (Matching)                                      | _____ ✓ _____ |
| 24. Use of Pouch Facilities                                      | _____ ✓ _____ |
| 25. Conversion of United States Dollars<br>to Local Currency     | _____ ✓ _____ |

(INCLUDE THIS PAGE IN THE GRANT)

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