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**THE LOGICAL FRAMEWORK AND BENEFIT SUSTAINABILITY**

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## **The logical framework and benefit sustainability**

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**How do A.I.D. officers apply the sustainability model (see "Enhancing the sustainability of development impact: supplemental guidance for A.I.D. mission and bureau staff," by A. Goldsmith, D. Gustafson, M. Ingle, & C. Adoum) in a practical form to their projects? How do A.I.D. staff inject these issues into the actual planning and functional activities of their projects? In order to ensure sustainability of benefits after project inputs cease, the elements leading to this post-End-Of-Project state (EOPS) must be built into the project and should form elements of the Logical Framework.**

**During July and August of 1991, the International Development Management Center (IDMC) developed a method for incorporating sustainability issues into the Logical Framework -- the major planning tool of A.I.D. for project design, implementation and evaluation. This paper describes the current operational work done to date on the Logical Framework and Benefit Sustainability, and suggest further areas needing attention. Using two sample projects, model logframes and qualitative measures are presented that address sustainability issues, providing benchmarks that drive activities to meet sustainability targets. Includes 1 figure and 3 exhibits.**

## **THE LOGICAL FRAMEWORK AND BENEFIT SUSTAINABILITY: WORKING PAPER**

### **Introduction**

The Cooperative Agreement between the International Development Management Center at the University of Maryland and the (former) Asia/Near East (ANE) Bureau of the Agency for International Development called for research on the issue of sustaining benefit flows of AID projects and programs following the completion of AID funding. As a result of applied research conducted under this project in 1989 and 1990 guidelines were developed based on a conceptual framework of benefit sustainability, and a series of workshops were conducted to review and disseminate the guidance to AID officers. Thoughtful issues and comments were raised that have been incorporated into the final draft of the Sustainability Guidance (August 1991), and this document is currently being distributed.

Throughout the preceding period, AID officers continued to ask questions about applying the sustainability model in a practical form to their projects. The Guidance was seen as a foundation and major step in operationalizing issues of sustainability, but further work needed to be accomplished in order to enable AID staff to get a grasp on injecting these issues into the actual planning and functional activities of their projects. It became clear that the Logical Framework needed to be a focus for further research on applying benefit sustainability. This paper describes the work done to date on the Logical Framework and Benefit Sustainability, and suggests further areas needing attention.

### **Sustainability and the Logical Framework**

The major planning tool of AID for project design, implementation and evaluation is the Logical Framework (logframe). Used to pinpoint benchmarks and project impact targets, the logframe is a reflection of the critical path leading to a "successful project." In order to ensure sustainability of benefits after project inputs cease, the elements leading to this post-EOPS state must be built into the project and should form elements of the logframe. In this way, accountability for sustainable benefits can be documented, and appraisal of the extent to which the implementation process is promoting sustainability can occur.

During July and August of 1991, IDMC worked to develop a method for incorporating sustainability issues into the logframe. Using two sample projects (discussed further in next sections of the report), model logframes were developed that addressed sustainability issues. After several revisions and discussions with AID officers, sets of indicators for each project were

developed that would provide benchmarks and drive activities to meet sustainability targets. The strategy, based on the Guidance, is discussed in the paper, "Benefit Sustainability Indicators for Project Management," (see Attachment 1) currently in draft form for review by AID. Research in this area and further elaboration of the logframe strategy for benefit sustainability is continuing. Below is a brief description of the state of the research to date.

Beginning at the Purpose Statement, logframes incorporating sustainability will require that "systems for ensuring sustainable benefit flows" be an objective of the project, and elements of the logframe thereafter will be added or modified to support this theme and to elaborate results and means by which results will be obtained. The three principles necessary for sustained development impact -- available resources, strategic operations and demand-supply responsiveness<sup>1</sup> -- will each be addressed at the purpose indicator level. Outputs, output indicators and activities will provide guidance for attaining the purpose and goal of the project (see Exhibit 1 of Attachment 1).

Two sample projects have been used to develop model logframes addressing sustainability. One is a mission-based project, and the other is a centrally funded project. Both are privatization/private sector projects; further examples are planned which will use natural resource and environmental projects as models. The two projects used were identified due to the fact that they are currently in the design stage, and also

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<sup>1</sup> These elements are described in the Guidance document as follows:

"Commitment at the policy level to sustainable development and supportive incentives (or minimized disincentives) are required for capacity building, learning and performance rewards, and a market-driven demand structure. From this, three principles have been shown to be necessary for sustained development impact:

- o Available resources for continued operations and reinvestment, including financial, informational, physical and environmental, and human and organizational resources;
- o Flexible mechanisms for continued production of goods and services that emphasize internal efficiency and accountability, and continuous scanning of the external environment; and
- o Demand-supply responsiveness in which outputs are either paid for by beneficiaries or are valued by stakeholders so that value is translated into support for continuation.

to the fact that IDMC became familiar with them through sustainability activities conducted under the sponsorship of the Cooperative Agreement. These activities and their products are discussed below.

**Indonesia's "Privatizing Utilities and Urban Services Project"  
(PURSE)**

At the request of the Indonesia Mission, a presentation on sustainability was conducted for the Project Paper inputs design team, prior to their departure for Indonesia. The objective was to familiarize them with the concepts of benefit sustainability so that their product has a solid foundation in ensuring that sustainability issues will be incorporated into the project. The meeting focused on 1) presenting and discussing the model, and 2) applying it to the PURSE project. A set of materials describing the concepts of sustainability and the context of Indonesia were developed for use during the presentation (see Exhibit 2 of Attachment 1).

The opportunity to understand the project and the issues it faces helped focus the logframe work and provided a better understanding of the problems that will need to be addressed in attempting to make the benefit flows sustainable. Using this project as a model will be beneficial as it incorporates many issues that numerous projects struggle with: providing governmental incentives for privatization, regulatory barriers, cost-effective market demand, developing efficient service delivery organizations, public/private dialogue, and many more.

**APRE's Regional Agribusiness Project (RAP)**

The second project identified as a possible model for applying sustainability in the logframe context was the Regional Agribusiness Project being developed in APRE. Currently at the PID design stage, it will be the subject of a two-day program at the regional ARD Conference in Sri Lanka, and issues of sustainability will be surfaced in that forum as well. IDMC conducted a presentation on sustainability for part of the PID design team, reviewing the concepts of the sustainability model and focusing on determining components which should be sustainable beyond the LOP. A presentation document was prepared for distribution to the team (see Exhibit 3 of Attachment 1).

As this project is a central APRE Bureau project, its structure and objectives are markedly different from Mission-based projects. Thus, it provides a useful second example for applying logframe sustainability indicators, and a draft logframe has been developed. The responsible AID project officer was supportive of using this project as a sustainability model, and follow-up will occur both at the Sri Lanka conference and in Washington.

## **Next Steps in Sustainability Research and Application**

Occasional issues have arisen that may need further investigation. The first is the role of the private sector in providing sustainable benefit flows. Though the private sector has been characterized as a kind of "panacea" for all development ills, it should be remembered that even 40% of U.S. firms go bankrupt. In countries where credit is scarce, entrepreneurship skills may be latent, and the environment less conducive than the U.S., members of the private sector may struggle desperately to survive without producing the benefits we have come to expect from knowledge of the U.S. private sector. Further research needs to be done to understand the role of the private sector, and how AID can maximize this role in sustaining benefit flows, without forgetting to acknowledge the assistance the sector may need to function efficiently and effectively.

A second area that has developed as one needing further attention is that of "replicability," or the "multiplier effect." First emphasized by Ned Greeley of USAID/Indonesia in the context of sustainability and maximizing development investment effectiveness, this concept aspires to producing projects where benefits flow not only continue, but where an expertise is built which allows the benefits to multiply or diversify. The issue then becomes, what additives or modifications to projects are needed to make this happen?

The products mentioned in the earlier sections have added substantially to the base of knowledge about applying sustainability to real projects. As we provide tools and samples that help operationalize sustainability issues, the field and AID/W will more easily be able to incorporate these sometimes complex concepts in ways that break down into plannable, do-able steps. In the coming weeks, the logical framework documents will be further refined and circulated for review. As design of the sample projects progresses, modifications to the model logframes will be made, and may provide some assistance in incorporating sustainability issues into these real projects.

**Benefit Sustainability Indicators  
for Project Management**

The Logical Framework is the planning tool used by A.I.D. to assist designers and managers to develop and implement their projects according to a defined, strategic outline. It should be used to develop and record benefit sustainability strategies which will produce systems leading to continued benefit flows beyond the life-of-project. If used in the identification, design, evaluation and replanning phases of a project, the logframe can provide measurable targets and planning benchmarks for maximizing sustainability preparations. It is important to incorporate early in the process purpose and output statements that address sustainability. Indicators supporting each statement are needed to provide guidance and targets to be able to measure progress and evaluate success of efforts leading to sustainability.

The elements of the logical framework (goal, purpose, purpose indicators, outputs and output indicators, activities and assumptions) to be addressed for sustainability should be covered in three ways. They are (see attached chart: "Sustainability and the Logical Framework):

- 1) Capacity Development for Resource Mobilization
- 2) Strategic Operations for Effective and Efficient Management
- 3) Demand Responsiveness for Market Driven Outputs

Using these topics, a logical framework (or generic management tool) can be developed that helps the project designer or manager think through the requirements for building benefit continuation considerations into the project process, and creates benchmarks for monitoring progress and reviewing strategies for enhancing the likelihood of sustainable benefit flows.

Also important in developing the logical framework is including descriptors addressing the commitment of stakeholders and incentives for them and "enablers." In traditional logical frameworks, the accord of the government, for example, is often treated as an "assumption" (e.g., "Assumption: the GOI supports privatization of public utilities"). This assumption may prove to be false or only partially true; even if a government theoretically supports privatization, it may not actively work to enable private sector activities to begin operations or to function successfully long-term. A strategy for providing

incentives to the key players and gaining their commitment to whatever change is being proposed should therefore be developed and reflected in the logical framework. The strategy may be laid out by adding purpose and output statements and indicators, or it may mean modifying them to reflect a perspective that incorporates stakeholder mobilization more actively than has been done in the past.

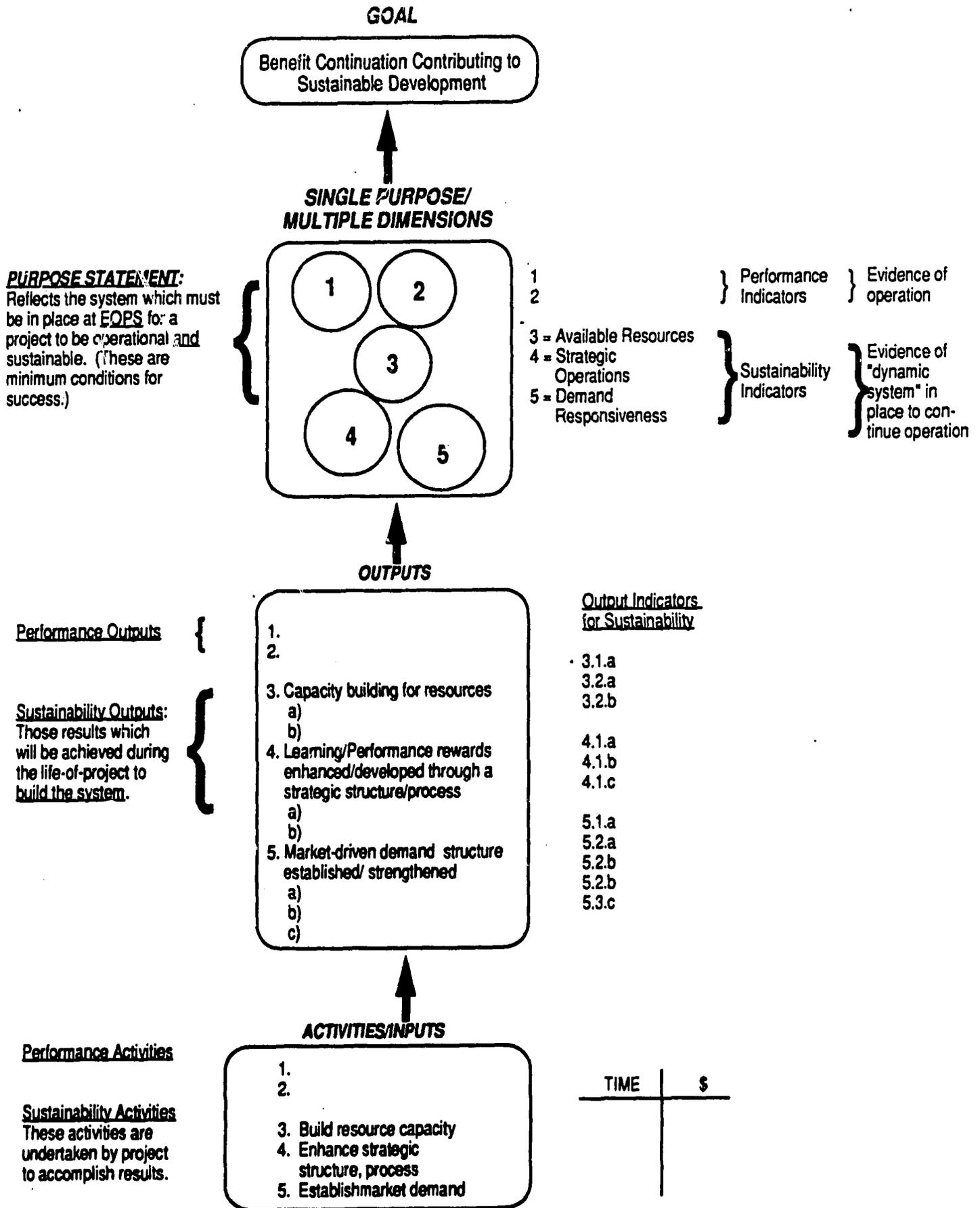
By incorporating sustainability issues, the logical framework becomes a tool that not only guides planners during the life-of-project, but also helps them prepare the scene for "life-after-project." Efforts naturally still concentrate on making project activities work, but the added element of preparing the implementers and players for healthy survival after AID intervention is also planned for and stressed.

This paper reviews the logical framework in sustainability terms, using several different projects as examples. These projects have been examined and illustrative examples drawn from them to demonstrate the differences between sustainable and non-sustainable indicators. Some indicators -- what will be called "performance indicators" here to differentiate them from "sustainability indicators" -- will not necessarily reflect sustainability strategies, and thus other indicators should be added or reworded so that systems ensuring benefit continuation will be in place by the end-of-project. We have chosen two privatization/private sector projects and two natural resource projects to use as examples, but logical framework planning for sustainability should occur for any project where components are identified as being desirable of sustaining.

**Exhibits:**

1. Sustainability and the Logical Framework Chart
2. Illustrative Case #1: Privatizing Utilities and Urban Services (PURSE)
3. Illustrative Case #2: Regional Agribusiness Project (RAP)

**BENEFIT SUSTAINABILITY AND THE LOGICAL FRAMEWORK**



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**ILLUSTRATIVE CASE #1: PRIVATIZING UTILITIES AND URBAN SERVICES (PURSE)**

**Summary Description**

The Indonesia Mission's Privatizing Utilities and Urban Services project (PURSE) will address the rapidly growing demand of Indonesia's urban population for urban services and utilities, a demand which public finances can no longer underwrite. Privatization of sanitary urban water delivery, urban solid waste disposal, and power delivery will comprise the initial thrust of the project. Other government-supplied services such as roads and transportation may be addressed in the future.

The project will offer strategic assistance to the Indonesia private sector and the Government of Indonesia (GOI) in designing, testing and implementing a nationwide program for the privatization of urban services and the development of public/private partnerships in urban service delivery and finance. New policies, regulations, models for privatization and sources of financing will be generated by project-supported research and analysis. An additional output of the project may be the creation of a privately subscribed institution which can assist in undertaking project activities, but which may also emerge as a center for research, policy development and analysis for Indonesia's urban sector.

The project will provide numerous kinds of assistance as follows:

- 1) technical assistance in analyzing, reformulating and drafting policies, standards and regulations pertaining to the private provision of urban services, including divestiture of public urban services enterprises and entitlements;
- 2) Training for private sector participants to develop their delivery capacity and, to a limited degree, public sector participants to develop their regulatory capacity;
- 3) Strengthening of the institutional capacity of the private sector to finance, deliver and maintain urban services and infrastructure; and
- 4) Funding of pilot/demonstration projects to provide data for the policy formulation process and to obtain practical implementation experience and test various models initiated by the private sector.

Pilot/demonstration projects will contribute to policy formulation and institutional development objectives. These projects are expected to lead to the creation of appropriate conditions and incentives for beginning large scale private sector participation in delivering quality urban services on a sustainable basis during the life-of-project.

The project is in response to specific requests for assistance in privatization made by three Indonesian ministries, and will contribute to USAID/Indonesia's objective of redefining the role of government and creating incentives in local government infrastructure and service programs emphasizing economic efficiency/productivity and increased reliance on the private sector.

**Privatizing Utilities and Urban Services (PURSE) Project**

Below are illustrative statements for logical framework or generic management objectives which can be used as a model for incorporation of sustainability considerations into project design and management planning.

**ILLUSTRATIVE OF "AVAILABLE RESOURCES"**

**GOAL (Long-term Objective):**

To improve the welfare and living conditions of Indonesia's urban population.

**PURPOSE (Intermediate Objective):**

Private sector is efficiently and effectively providing, on a sustainable basis, utilities, urban services and infrastructure development.

**PURPOSE INDICATORS (Intermediate Objective Indicators):**

(The following indicator is illustrative of "available resources.")

1. By 1998 the private sector is covering, with profit, 100% of its service delivery, management and maintenance costs in power delivery, water supply and waste disposal through fee-for-service and other non-government-financed mechanisms.

**OUTPUTS (Accomplishments):**

(The following outputs are illustrative of "Capacity Building for Resources," corresponding to #1 Indicator above.)

- 1.1 Regulations governing pricing, contracting and billing are in place.
- 1.2 Cost-recovery mechanisms are established.

**OUTPUT (Accomplishment) INDICATORS:**

- 1.1.1 3 policy analyses have been conducted and form the basis of regulatory reform by 1993.

- 1.1.2 New public law has been developed based on pilot project experience and is being used for contracting, pricing and billing by 1994.
  
- 1.2.1 Government financial support of targeted services is reduced to 0% by 1998.
- 1.2.2 By 1998 the number of firms providing urban services for a minimum of two years without declaring bankruptcy will increase from 10 to 25.

**INPUTS (Activities):**

(These inputs correspond with the "building of resources capacity" under Output #1.1 and 1.2 above.)

- 1.1.1 Conduct policy assessments.
- 1.1.2 Hold policy reform conference.
  
- 1.2.1 Implement 2-each pilot projects for power, water and waste with cost-recovery mechanisms for feedback.
- 1.2.2 Conduct analysis at 1 year and 2 years for effectiveness of pilot mechanisms specific to cost-recovery.
- 1.2.2 Select private sector participants and conduct training for implementation of cost-recovery mechanisms.

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## **Privatization of Utilities and Urban Services (PURSE) Project**

Below are illustrative statements for logical framework or generic management objectives which can be used as a model for incorporation of sustainability considerations into project design and management planning.

### **ILLUSTRATIVE OF "STRATEGIC OPERATIONS"**

#### **GOAL (Long-term Objective):**

To improve the welfare and living conditions of Indonesia's urban population.

#### **PURPOSE (Intermediate Objective):**

Private sector is efficiently and effectively providing, on a sustainable basis, urban services and infrastructure development.

#### **PURPOSE INDICATORS (Intermediate Objective Indicators):**

(The following indicator is illustrative of "strategic operations.")

1. By 1998 management staff of private sector firms are effectively expanding their current operations and are responding to and creating new business opportunities at the rate of 10% increase in activity per year.

#### **OUTPUTS (Accomplishments):**

(The following outputs are illustrative of "Learning/Performance Rewards," corresponding to #1 Indicator above.)

- 1.1 Effective planning strategies are developed for minimum 3-year period, and are pursued through organizational incentives and restructuring.

**OUTPUT (Accomplishment) INDICATORS:**

- 1.1.1 Five trained O.D. consulting firms are conducting at least two strategic planning training and personnel management programs per month in target cities.
- 1.1.2 Over 300 staff of private sector firms for urban services have attended accounting, strategic planning and personnel management programs and are implementing new activities to incorporate learnings.
- 1.1.3 Firms participating in competition for urban service delivery for new regions are demonstrating improved planning and proposal capacities.
- 1.1.4 By 1998 a minimum of 4 firms have sought other opportunities in urban services delivery and are expanding their businesses.

**INPUTS (Activities):**

(These activities correspond with the "enhancing strategic structure process" under Outputs above.)

- 1.1 Identify minimum of two consulting firms with capacity for O.D./personnel management training.
- 1.2 Conduct training of trainers'.
- 1.3 Design and conduct training for private sector.
- 1.4 Conduct individual technical assistance to firms.

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**Privatizing Utilities and Urban Services (PURSE) Project**

Below are illustrative statements for logical framework or generic management objectives which can be used as a model for incorporation of sustainability considerations into project design and management planning.

**ILLUSTRATIVE OF "DEMAND RESPONSIVENESS"**

**GOAL (Long-term Objective):**

To improve the welfare and living conditions of Indonesia's urban population.

**PURPOSE (Intermediate Objective):**

Private sector is efficiently and effectively providing, on a sustainable basis, utilities, urban services and infrastructure development.

**PURPOSE INDICATORS (Intermediate Objective Indicators):**

(The following indicator is illustrative of "demand responsiveness.")

1. By 1998 the local population in 10 target cities and 2 additional cities are requesting expanded or new privatized service delivery.

**OUTPUTS (Accomplishments):**

(The following outputs are illustrative of "Market-driven demand structure," corresponding to #1 Indicator above.)

- 1.1 Systems in private firms for developing new markets and responding to expansion requests are established.
- 1.2 GOI policy review system for responding to external concerns and requests is operational.

**OUTPUT (Accomplishment) INDICATORS:**

- 1.1.1 Private firms have marketed their services to 5 new cities or regions within cities.

- 1.2.1 Five local community entities have participated in dialogue with private sector firms and local governments on regular (bi-annual) basis.
- 1.2.2 GOI has conducted feasibility studies for privatizing 4 other service delivery activities.

**INPUTS (Activities):**

(These activities correspond with "establishing market demand.")

- 1.1.1 Advertise early successes.
- 1.1.2 Conduct training in marketing and problem-solving techniques.
  
- 1.2.1 Conduct policy dialogue structure study for Indonesia.
- 1.2.2 Design policy dialogue mechanism.
- 1.2.3 Design and conduct training for GOI on policy dialogue and reform mechanism and strategies.
- 1.2.4 Design and conduct feasibility study training program.
- 1.2.5 Design and conduct strategic planning training for GOI.

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**ILLUSTRATIVE CASE #2: REGIONAL AGRIBUSINESS PROJECT (RAP)**

**Summary Description**

The Asia Bureau Regional Agribusiness Project (RAP) is intended to promote the transitional and industrializing economies of countries in Asia through technical assistance and support of Asia Mission projects and programs. Constraints such as inappropriate economic and commercial policies, trade barriers, inappropriate agroprocessing and marketing technologies, and an unskilled indigenous entrepreneurial pool must be overcome. RAP will provide a broad range of implementation and technical support to Asia Bureau agribusiness programs which address the above issues.

The project is projected to include the following components:

- 1) analyses of various agribusiness topics with a strong emphasis on environment and sustainable agricultural development, especially relating to agroprocessing and high-value crop systems;
- 2) accessing international trade and market information systems, including information systems providing Asian countries with accurate, timely and specific international and regional trade information (i.e., export market countries' tariffs structures, regulatory and quality control requirements), and improved information networks allowing U.S. agribusinesses to be informed of potential investment opportunities in Asian countries; and
- 3) promoting U.S. agribusiness participation in Asia country programs through a mechanism(s) for industry-specific technical and information assistance. The network established would involve the U.S. business community in increased entrepreneurial support and interaction in Asia, including managerial training, organizing host country trade and business associations, engaging in policy dialogue, arranging for trade missions and study tours, sourcing of agroprocessing and marketing technologies, and direct investment in joint ventures.

RAP will focus on providing assistance in these three categories through direct contract for the analyses, and collaboration with USDA Cooperative Extension Service and other initiatives for the market information component and U.S. agribusiness networking activity. Development of a specific institution or mechanism for regional networking and market information systems development will be explored and considered.

**REGIONAL AGRIBUSINESS PROJECT (RAP)**

Below are illustrative statements for logical framework or generic management objectives which can be used as a model for incorporation of sustainability considerations into project design and management planning.

**ILLUSTRATIVE OF "AVAILABLE RESOURCES"**

**GOAL (Long-term Objective):**

To develop the full potential of agribusiness in Asia for providing increased trade, employment and income in the region.

**PURPOSE (Intermediate Objective):**

Agribusinesses in Asia are being formed and supported, and the U.S. agribusiness sector is providing technical support and is collaborating in joint ventures, through a system which is sustainable.

**PURPOSE INDICATORS (Intermediate Objective Indicators):**

(The following indicator is illustrative of "available resources.")

1. A sustainable mechanism efficiently promoting joint ventures and U.S./Asia investment results in an annual increase in agribusiness development by 25% in target countries by EOPS.

**OUTPUT (Accomplishment):**

(The following output is illustrative of "Capacity Building for Resources" relating to purpose indicator #2 above.)

- 1.1 The Agribusiness Technology and Information Center (ATIC) is operational.

**OUTPUT (Accomplishment) INDICATORS:**

- 1.1.1 Asia governmental financial support and user fees provide 100% of costs of ATIC by EOPs.
- 1.1.2 Twenty requests for services per month by U.S., Asia and other agribusiness players are being met effectively and efficiently by ATIC by mid-project, 40 requests by EOPs.

**INPUTS (Activities):**

- 1.1 Conduct feasibility study for business center.
- 1.2 Design implementation plan for cost-recovery and human resources provision in collaboration with Asia country governments and business communities.
- 1.3 Appoint Board of Directors from U.S. and Asia country stakeholders.
- 1.4 Design and implement information network with U.S. and agribusiness community.
- 1.5 Choose site, personnel and management structure of ATIC.

**filename: RAP-AVAL**

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## REGIONAL AGRIBUSINESS PROJECT (RAP)

Below are illustrative statements for logical framework or generic management objectives which can be used as a model for incorporation of sustainability considerations into project design and management planning.

### ILLUSTRATIVE OF "STRATEGIC OPERATIONS"

#### **GOAL (Long-term Objective):**

To develop the full potential of agribusiness in Asia for providing increased trade, employment and income in the region.

#### **PURPOSE (Intermediate Objective):**

Agribusinesses in Asia are being formed and supported, and the U.S. agribusiness sector is providing technical support and collaborating in joint ventures, through a system which is sustainable.

#### **PURPOSE INDICATORS (Intermediate Objective Indicators):**

(The following indicator is illustrative of "strategic operations.")

1. Agribusiness Technologies and Information Center (ATIC) systems are accountable and internal management is efficient according to mid-term and final evaluations.

#### **OUTPUT (Accomplishment):**

(The following output is illustrative of "Learning/Performance Rewards" relating to purpose indicator above.)

- 1.1 Computerized systems for efficient financial management are operational.
- 1.2 Effective management structure established.

**OUTPUT (Accomplishment) INDICATORS:**

- 1.1.1 ATIC staff trained and correctly utilizing accountability systems as reflected in annual external audits by mid-project.
- 1.2.1 Post-service evaluations of ATIC fulfillment of requests for service show 95% customer satisfaction.
- 1.2.2 Asian agribusinesses serviced by ATIC show increase in profits by 50% or greater.
- 1.2.3 ATIC staff conduct strategic planning for three-year periods and meet or exceed scheduled targets and benchmarks.

**INPUT (Activities):**

- 1.1.1 Design accounting system and conduct accounting and budgeting training.
- 1.1.2 Provide technical assistance for financial management and strategic budgeting.
- 1.2.1 Conduct analysis of best staffing design, integrating technical business/agribusiness skills with management skills, for ATIC.
- 1.2.2 Choose and train staff in personnel management, strategic planning, marketing and other management technologies.

**filename: RAP-STRT**

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## REGIONAL AGRIBUSINESS PROJECT (RAP)

Below are illustrative statements for logical framework or generic management objectives which can be used as a model for incorporation of sustainability considerations into project design and management planning.

### ILLUSTRATIVE OF "DEMAND RESPONSIVENESS"

#### **GOAL (Long-term Objective):**

To develop the full potential of agribusiness in Asia for providing increased trade, employment and income in the region.

#### **PURPOSE (Intermediate Objective):**

Agribusinesses in Asia are being formed and supported, and the U.S. agribusiness sector is providing technical support and collaborating in joint ventures, through a system which is sustainable.

#### **PURPOSE INDICATORS (Intermediate Objective Indicators):**

(The following indicator is illustrative of "demand responsiveness.")

1. The Agribusiness Technologies and Information Center (ATIC) has a 20% increase in client assistance requests from both the U.S. and Asia per year.

#### **OUTPUT (Accomplishment):**

(The following output is illustrative of "market-driven demand structure" relating to purpose indicator above.)

- 1.1 Market-scanning, research and analysis systems for ATIC to determine client trends and markets are implemented.
- 1.2 ATIC information systems, market analysis, technology transfer mechanisms and inter-company liaison networks, especially for U.S. agribusiness activities are operational.

**OUTPUT (Accomplishment) INDICATORS:**

- 1.1.1 Semi-annual client/global-trend market studies provide basis for ATIC internal strategic planning.
- 1.1.2 ATIC identifies, develops and covers costs on user-fee basis of 3 new agribusiness sectoral emphases per year.
- 1.2.1 Agribusiness analyses and ATIC services result in \$20 million in joint ventures and agribusiness investment per year by Year 4 of project.
- 1.2.2 Annual reports of client agribusinesses show increase in production and profits by 25%.

**INPUTS (Activities):**

- 1.1.1 Design schedule and description of market analyses needed for planning purposes.
- 1.1.2 Conduct training in market scanning, research, and analysis for ATIC staff.
- 1.1.3 Conduct training and technical assistance in applying market-scanning techniques to ATIC planning and management.
- 1.2.1 Identify and hire qualified, technically capable staff needed for information systems, market surveys, technology transfer and business networking.
- 1.2.2 Design systems for responding to client demand.
- 1.2.3 Initiate contact with U.S. agribusiness networks and companies.

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-2-

## REGIONAL AGRIBUSINESS PROJECT (RAP)

Below are illustrative statements for logical framework or generic management objectives which can be used as a model for incorporation of sustainability considerations into project design and management planning.

### ILLUSTRATIVE OF "COMMITMENT OF STAKEHOLDERS"

#### **GOAL (Long-term Objective):**

To develop the full potential of agribusiness in Asia for providing increased trade, employment and income in the region.

#### **PURPOSE (Intermediate Objective):**

Agribusinesses in Asia are being formed and supported, and the U.S. agribusiness sector is providing technical support and collaborating in joint ventures, through a system which is sustainable.

#### **PURPOSE INDICATORS (Intermediate Objective Indicators):**

(The following indicator is illustrative of "commitment of stakeholders.")

1. Asian governments concretely support private agribusiness expansion in 5 countries by mid-project, 10 countries by EOPs.

#### **OUTPUT (Accomplishment):**

(The following output is illustrative of "commitment at policy level" relating to purpose indicator above.)

- 1.1 Cost-recovery plan with Asian governments and user-fee financing implemented.
- 1.2 Policy and regulatory barriers to agribusiness development and expansion lifted in client Asian countries.

**OUTPUT (Accomplishment) INDICATORS:**

- 1.1.1 By EOPs, ATIC financially supported by 50% Asian government funding.
- 1.2.1 Tax revenues for collaborating governments increased.
- 1.3.1 Foreign and domestic agribusiness activity increases by 20% per year.
- 1.4.1 Five Asian governments requesting similar programs for non-agribusiness private sector activities.

**INPUTS (Activities):**

- 1.1.1 Conduct stakeholder analysis.
- 1.1.2 Identify stakeholder incentives to commitment and design strategies to implement.
- 1.1.3 Develop funding agreement.
- 1.2.1 Conduct training for Governments to market benefits of ATIC.

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