

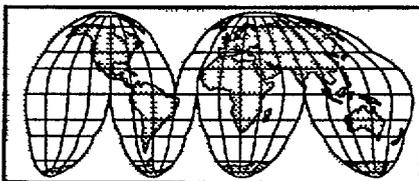
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AGENCY FOR INTERNATIONAL DEVELOPMENT

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**Administrator's
Evaluation Studies Agenda
FY 1993-1995**

March 1993



**Center for Development Information and Evaluation
Directorate for Policy**

Administrator's Evaluation Studies Agenda

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Appendix

Schedule of Evaluation Studies FY 1993-1995

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Introduction

This Agenda identifies, describes, and schedules a three-year program of central evaluation studies to be conducted by the Center for Development Information and Evaluation (CDIE). These studies focus on important areas of A.I.D. program activity (the *what* of our business) and on operational and management systems (the *how*). By consulting widely within and outside the Agency in putting together this Agenda, CDIE focuses its evaluation work on the topics and the issues of greatest concern both to senior management responsible for the Agency's strategic decision making and to the managers responsible for designing and implementing better development programs and projects in the field.

The Agenda is set on a "rolling plan" basis, to be updated annually. This second revision covers the period FY 1993-1995. As in past years, criteria for the selection of topics are

- the relevance of the topic to strategic decision making and the likelihood that the results will be well utilized,
- the operational importance of the topic in terms of current or planned resource allocations,
- the feasibility of conducting a meaningful evaluation (are data available and experience adequate?),
- the adequacy of CDIE resources (staff and budget) to perform the study well, and
- balance/coverage of the agenda across the important program areas of A.I.D.'s portfolio

In addition to the core program of evaluation studies against which personnel and budgetary resources have been allocated, this Agenda includes a "shelf" of evaluation studies that may be undertaken only if sufficient program and operating expense budgets become available.

To ensure the relevance of this Agenda, I asked that it be reviewed by all of A.I.D.'s bureaus and shared with selected Congressional Committee and OMB staff. We have been pleased with the positive, thought-provoking responses that we have received. Where possible, we have integrated those responses into this version of the Agenda.

James H. Michel
Acting Administrator
Agency for International Development

Section I

PROGRAM AND POLICY EVALUATIONS

This section briefly describes ongoing and planned evaluations focused on strategic program and policy issues. Some of these evaluations will be desk studies, where data collection and analysis can be accomplished in the United States, primarily in A.I.D./Washington, based on A.I.D. documentation and other secondary sources. A few others will require limited fieldwork by one or two researchers, primarily to verify or investigate key issues raised in the course of desk research. The majority of these evaluations will require full field-based assessments in which, after the completion of a literature review and key interviews in the United States, several teams of three or four evaluators will each spend 3-6 weeks overseas conducting a series of country case studies. On the average, a desk study will take 4-5 months to complete, a limited fieldwork study 6-8 months, and a field assessment 12-18 months.

A. Economic Policy Reform & Public Sector Management

Evaluations in this group include the type of program assessments most typical of CDIE's work, as well as studies focused on cross-cutting operational and methodological concerns. Since the June 1992 publication of the *Administrator's Evaluation Studies Agenda FY 1992-1994*, CDIE has completed a desk study of A.I.D. and other donor experience with social safety net programs, designed and begun implementation of the study of methodological approaches to policy reform, designed the assessment of managing the policy reform process and begun design of the evaluation of financial sector policy reform. In addition to these evaluations on the Agenda, CDIE designed and managed a special study of the impact A.I.D.'s post-1989 assistance program to Panama.

A.1 Social Safety Nets in Economic Adjustment

Objective

To review the experience with social safety net programs designed to counter the potential adverse consequences of economic adjustment, assess the advisability of such programs, and identify the lessons learned and policy implications.

Rationale

A.I.D. is likely to continue promoting economic policy reform through direct dialogue with aid-recipient governments and indirectly through its contributions to the efforts of other international agencies. The Agency will continue to be called upon to allocate resources to social safety net efforts deemed essential for successful adjustment. It is therefore important to identify whether such interventions are justified and how they can be most effective.

Description

Begun in October 1991, this evaluation is an *ongoing desk study*, which will describe and assess the effectiveness, costs, and benefits of common safety net interventions. Key questions being addressed are:

- Have the benefits of special social safety net interventions justified their costs?
- What are the most efficient mechanisms?
- What are the respective roles of the public and private sectors in these programs?
- Have safety nets been effective in protecting the poor and other priority groups at risk during economic adjustment?
- How should A.I.D. intervene if such types of intervention are desirable?

The first, more general, part of the desk study was completed in April 1992, and the final portion, dealing specifically with A.I.D. experience, was finished in late 1992. Findings will be disseminated in April, 1993.

A.2 Methodological Approaches to the Assessment of Policy Reforms

Objective

To help A.I.D. refine methods for evaluating economic policy reform programs.

Rationale

In recent years, a large share of A.I.D.'s program resources has supported the reform of economic policies at the macroeconomic and sectoral

levels. Some voices, inside and outside of the Agency, have called for increasing the concentration of assistance in this area, while others have doubted the effectiveness of this approach. This study will improve A.I.D.'s ability to assess the effectiveness of policy reforms and assistance supporting those reforms.

Description

In assessing how successful developing countries and international donors have been in promoting policy reform, analysts have to deal with complex technical and implementation issues. Some of the methodological difficulties relate to

- disentangling the impact of policy reforms from the effects of exogenous variables,
- predicting time lags between the implementation and intended effects of reforms,
- assessing the incremental value of reforms,
- dealing with factors (e.g., flawed implementation) that affect the credibility and success of the reforms, and
- assessing a developing country's ability to sustain reform processes to their successful conclusion.

This assessment is being performed as a *desk study* analyzing economic data and project and program documentation available in Washington from A.I.D. and other donors, such as the World Bank. The study reviews how policy reforms are frequently assessed, identifies different approaches, evaluating their advantages and disadvantages, and identifies the most effective operational methods. The analysis is approaching the subject from a political economy perspective, weighing the role and limitations of program performance indicators, and evaluating the use of general and partial macroeconomic models to explore counterfactual cases.

Results will be disseminated in the last quarter of FY 1993.

A.3 Managing the Policy Reform Process

Objective

To evaluate the relative effectiveness and efficiency of A.I.D.'s various modes of assistance for policy reform and to delineate the management implications of each assistance mode.

Rationale

During the 1980s, A.I.D. implemented policy reform programs using a variety of funding sources and programming procedures. At the same time, A.I.D. had to decrease personnel and operating budgets for management and oversight of development assistance programs. Each funding source (ESF, DA, PL 480) has different oversight, implementation, and workload implications. Each programming method (e.g., cash transfer, CIP, sector assistance, policy dialogue, bilateral project) also has its own rules and requires different skill mixes.

USAID Mission management must balance the desirability of maximizing policy reform performance in the short term with the need to increase host country "ownership"—and sustainability—of the reforms. U.S. Government requirements for accounting and auditing of some assistance modes may tend to divert attention and resources from improving policy performance, as well as dampen host country feelings of "ownership" of the policy reform measures. This assessment will help A.I.D. evaluate the circumstances in which each assistance mode is most effective in effecting policy reform and, thereby, improve allocation of scarce personnel and budget resources for managing policy reforms.

Description

This *limited fieldwork study* will first identify management requirements of the various funding sources and program methods that A.I.D. uses to provide policy reform assistance. It will analyze effectiveness and efficiency of policy reform performance in reaching program objectives, according to funding sources and program methods, including such factors as quality of program design, initial host country commitment to the reforms, and host country capacity to implement both reforms and procedures. A sample is being selected for in-depth documentation review. Questionnaires and interviews with practitioners will be used to determine how effectively Missions met program management demands, including policy performance, accountability, and "ownership of reforms." Visits will be made to a limited number of countries to follow-up on specific questions. The study will identify how well effective and efficient management of policy reform assistance translates into sustainable reforms and indicate whether workload requirements of funding sources and program methods affect achievement of program objectives.

The findings and recommendations of this Assessment will be available in the second quarter of FY 1994.

A.4 Financial Sector Reform

Objective

To determine the soundness and effectiveness of A.I.D. approaches to economic policy reform for financial sector development.

Rationale

The last 20 years witnessed a revolution in thinking regarding the role of the financial sector in development. It is now widely accepted that the financial sector can play a key developmental role through the mobilization and allocation of savings to finance productive activities. The perception of the relative roles of the market and the public sector has changed substantially. It has become

widely accepted that the proper role for government is to provide a system of prudent regulation and supervision and ensure stability through monetary policy, while leaving it to the market to allocate credit and determine interest rate levels and structure.

However, many developing countries seeking to privatize their financial sectors lack adequate institutions for monetary policy and have insolvent financial systems. Remediating such problems in the context of overall market liberalization needs to take into account the interaction between financial sector policy reform and other policy areas: trade, exchange rate, prices, and fiscal policies, for example. Likewise, the interaction between liberalization of financial markets and the role of key subsectors—banking, for example—is of critical importance. USAID Missions are frequently called to help in all such respects. This evaluation will thus be of interest to A.I.D. senior management and USAID Missions. It will provide operational guidance for policy and related institutional reforms for financial sector development and the timing and sequencing we should advocate in the context of broad economic adjustment.

Description

The assessment will review the economic development literature to determine the state-of-the-art lessons on financial sector development, assess A.I.D.'s role in financial sector reform in selected countries, evaluate the experience of reforming countries, and infer guidance for Agency actions. Design of this assessment has begun. Results will be disseminated by late FY 1994.

A.5 Legal, Regulatory, and Judicial Reform

Objective

To assess A.I.D.'s efforts at promoting reform of legal, regulatory, and judicial (LRJ) constraints to economic development, and to recommend ways to strengthen the Agency's effectiveness at promoting policy reform in this area.

Rationale

The fundamental importance of this topic has only recently been given the recognition it deserves in formal development economics. Along with helping formulate appropriate economic policies and reinforcing the impact of such policies through projects, A I D has recognized the need to help create legal, regulatory, and judicial structures that promote, rather than inhibit, economic development. Mainstream development assistance first emphasized physical capital, then focused on direct assistance to the poor, and finally centered on economic policies. Although attention to policies represented a quantum jump in the contribution of international agencies to development, conventional economic policies and projects are not enough. The quality of a country's institutions is a principal determinant of its economic performance.

Economic reform must include the conventions that govern the way people deal with each other—property rights, contracts, conflict resolution, norms of conduct bearing on economic events. Such norms affect allocative efficiency, transaction costs, the potential for growth, and the potential to achieve socially acceptable patterns of income distribution. Efforts to influence legal, regulatory, and judicial constraints are based on the insight that healthy market economies require institutions that provide secure individual rights such as confidence that property will not be confiscated, contract enforcement, compensation for damages arising from torts, equality under the law and regulations, and nondiscrimination in government actions.

Description

The evaluation will first carry out a desk review of literature on how legal, regulatory, and legal conditions affect development and identify lessons learned and operational guidance. If warranted, it will then evaluate how A I D has approached the issue of legal, regulatory, and judicial changes in countries in which the Agency has pursued broad policy reform and the effectiveness of such efforts. The countries for consideration will be from Africa, Asia, Eastern Europe, Latin America, and the Near East. Design work will take place early in FY 1994. Data collection will be completed by FY

1995, and the results of the assessment will be disseminated by third quarter FY95.

A.6 Policy Reform at the Aggregate, Sector, and Project Levels

Objective

To evaluate the relative effectiveness and consistency of A I D 's interventions to promote economic policy reform in economywide, sector and project contexts.

Rationale

During the last decade, it became clear to A I D managers that one of the most effective uses of Agency resources is assistance in the reform of host country economic and institutional policy frameworks. USAID Missions throughout the world have promoted policy changes that

- encompass the whole economy and cut across economic sectors (e.g., reforms in the trade or exchange rate regime),
- pursue broad sector-specific changes (e.g., change in the overall price and distribution regime relating to the agricultural sector), and
- seek relatively narrow policy changes having a bearing on specific A I D supported projects (e.g., change in the fee system for health services).

What is not well-understood, however, is the relative effectiveness of efforts at these different levels and the degree of consistency with which they are applied in a given country setting. This study will evaluate such effectiveness and consistency; it will also provide guidance on the appropriateness of efforts at each level.

Description

The study will first analyze how A I D has promoted economic policy reform at aggregate, sector and project-related levels. To accomplish this the evaluators will review available literature

and interview key informants on A.I D 's experience

The evaluators will then select a set of countries from different regions and will evaluate the actual policy impact of interventions at macro (aggregate), sector, and project levels They will also assess the extent to which the various interven-

tions reinforce or contradict one another Impact will be analyzed in light of Mission development objectives and A I D 's developmental goals and policies

This evaluation will be carried out during FY 1995

B. Private Sector Development

Since the publication of last year's Agenda, CDIE's evaluation work in this area has focused on completing the evaluation of AID programs supporting export and investment promotion services. Six Technical Reports have been completed on findings from the Asia region, and a draft of the final Assessment Report, presenting overall findings and management implications, will be completed in April, 1993. CDIE analysts have also contributed significantly to an Agency study of AID's trade and investment program in Central America and the impact of Section 599 of the FAA. Because the General Accounting Office is undertaking a review of AID's support to export processing zones, CDIE has cancelled the planned evaluation of export processing zones which was scheduled in last year's Agenda.

B.1 Export and Investment Promotion Services

Objective

To assess the extent to which promotion services, such as provision of information, have stimulated exports and investment in developing countries beyond what could be expected from a sound policy environment.

Rationale

Recent economic literature has demonstrated that outward-oriented economies with strong trade, investment, and export systems have achieved better development results than inward-oriented economies. An important question facing donors and governments is whether the provision of services to exporters and investors has contributed to the growth of exports from LDCs. AID

has devoted substantial resources to supporting outward-oriented economic growth. While most observers consider policy reform critical in stimulating export-led growth, there is less consensus about the contribution of promotional services to accelerating export growth.

Description

An assessment of the impact and effectiveness of promotional programs in four Latin American countries has been completed and four Asian case studies are in the final stages. These assessments evaluate whether intermediaries providing support services to exporters are worth supporting. Key factors examined are:

- **Firm-level Impact** Do these intermediaries have an impact on the firms they assist, for example, in exports, investment, and jobs?
- **Market-level Impact** Do these intermediaries promote market efficiency and correct market failures?
- **Economic Return** Is support to these intermediaries economically attractive and cost-effective?
- **Service Mix** What service strategies have the greatest impact?
- **Institutional Mechanisms** What types of intermediaries offer the best vehicle for delivering these services?

The synthesis of experience worldwide will be completed by the third quarter of FY 1993. CDIE will incorporate in the assessment and synthesis findings of existing evaluation studies of similar programs in the Near East, as the conclusions of these studies are largely consistent with findings to date from the assessments in the Latin America and Asia regions.

B.2 Export Promotion, Growth, and Poverty

Objective

To examine the impact of export-led growth on the welfare of poor people in outward-oriented developing countries

Rationale

Since the early 1980s, A I D has given priority to trade as an engine of growth in developing countries, and the Agency considers export-led growth to be important in achieving sustained economic growth that will improve the living conditions of the poor. Economic theory finds that export growth is a particularly effective vehicle for increasing incomes of abundant factors of production, such as unskilled labor, which often represent the poor in developing countries. Public and Congressional concern about the distributional consequences of A I D support for export-led growth policies and programs makes a study focusing on the linkages among export promotion, growth, and poverty important in directing future programming.

Description

Two CDIE studies have established the linkage between A I D export-service assistance and export growth. What has not been shown is the linkage between export growth and the welfare of people in developing countries, particularly the poor. This study will draw on the experiences of export expansions based on domestic resources and export processing zones (EPZs) in developing countries.

In tracking the impact on the poor, the study will bring together secondary data on

- impacts of export growth on incomes in the bottom half of the income distribution,
- the impact of export growth on acquisition of human capital by low-skill workers in export industries, and
- indicators of noneconomic well-being (e.g., education, nutrition) to the extent possible

The assessment will involve a literature review on trade, economic growth, and poverty and an empirical analysis of secondary data on export and growth trends and the indicators referred to above. The literature review and the data analysis will be completed in late FY 1993 and results will be disseminated in early FY 1994.

B.3 Privatization and the Public Interest

Objective

To assess the performance of the privatization programs of A I D and other donors in developing countries and provide guidance for effective assistance.

Rationale

In the 1980s, the legacy of state-owned enterprises operating at substantial deficits and the fiscal crisis of the state provided a strong impetus for governments to shift management of key functions and enterprises from the public to the private sector. Governments in developing countries and Eastern Europe have increasingly adopted privatization as a vehicle to promote economic efficiency, improve public fiscal solvency, and expand consumer access to goods and services. A I D and the World Bank have taken the lead in supporting developing countries' efforts at privatization. In 1985, A I D established a Center for Privatization, specifically to provide technical and financial assistance to host governments undertaking privatization, and the Agency is continuing active support for privatization efforts worldwide. This experience to date should be assessed to guide future programming.

Description

The assessment will begin as a desk study, reviewing the literature on privatization and program documents on government and donor privatization efforts in developing countries, Eastern Europe, and selected developed countries. The review will include privatization of both services

(e.g., agricultural marketing) and enterprises. It will examine

- achievement of key objectives of privatization, such as increasing economic efficiency, improving public fiscal solvency, and delivering goods and services effectively to the public,
- the various mechanisms for privatization,
- management of the privatization process by governments, A I D , and other donors, and
- the context for effective management of privatized enterprises or services. Relevant factors include opposition groups (trade unions, consumers), the depth of financial markets, and legal considerations.

The 5-month desk study will be initiated in late FY 1993. A full *field assessment*, if required, will be conducted in FY 1994, with results disseminated early in FY 1995.

B.4 Private Provision of Social Services

Objective

To assess the performance of social service programs that rely on private sector service providers.

Rationale

Over the last decade, A I D has increasingly explored new approaches to the provision of social services (health, nutrition, education, population, and housing) which draw on private sources of

service delivery. There are strong arguments that the private sector can deliver many services more efficiently and effectively than government bureaucracies, and private sector approaches have begun to be fully integrated into major social service programs. Private provision does raise two potentially troubling issues, however. First, the private sector may replace a public monopoly with a private one, leading to high prices and excess profits for the provider. Second, the private provider may have less incentive than the public to serve poorer clients, and the poor may lose access to services. This evaluation will examine evidence concerning the advantages and drawbacks of privately-provided social services in the context of A I D development programming.

Description

This assessment will first undertake a desk review of A I D social service projects and programs which have relied on private service delivery. This review will examine the wide variety of activities of privately-provided social services and will serve as a basis for the design of a field assessment. The issues to be covered in this desk review include the following:

- economic and policy conditions that constrain or enhance private social service provision,
- the sustainability and cost effectiveness of social service delivery (e.g., cost recovery),
- access, quality, and efficiency of social services from private providers.

The concept and design papers and data collection for this evaluation will take place during FY 1995. The Assessment will be completed in FY 1996.

C. Agriculture, Natural Resources, & the Environment

Over the past year, the majority of CDIE's work in this group has been in the area of the environment and natural resources. A comprehensive literature review was completed, and an analytical framework for environmental program evaluations was developed. Both documents will serve as the foundation for an ongoing program of environmental assessments, the first three of which are scheduled for the FY 1993-1995 planning period. Fieldwork under the first of these, Environmental Impact of Forestry Programs, began with the first case study field trip to Pakistan. Also during the past year, CDIE has designed an evaluation of agribusiness programs and begun design of an assessment of food aid as a tool for development.

C.1. Forestry Biodiversity and the Environment

Objective

To measure the impact of A I D assistance for restoring or increasing forest tree cover and protecting forested wildlife habitats in developing countries and to identify approaches and conditions that influence the performance of A I D-supported forest management programs

Rationale

Global concern over threats to the world's remaining forest cover--particularly tropical forests and forested wildlife habitats in developing countries--led Congress in 1989 to direct A I D to implement a special tropical forestry and biodiversity program. Funding for forestry programs since FY 1989 has averaged about \$160 million annually, or about 25 percent of the Agency's \$650 million environmental programs portfolio. This

evaluation of A I D's past experience will contribute to more effective forestry activities under the Agency's new Environmental Strategy.

Description

The assessment of Agency forestry and biodiversity programs was launched in 1992 with a major review of the literature on A I D's experience to date and on the state of global forest and biodiversity conditions. The assessment in 1993 is entering the field evaluation phase when it will examine three forestry sector models of environmental management: (1) farm forestry, (2) community forestry, (3) and forest parks and preserves. An analytical framework for the field evaluations has been formulated to assess different kinds of effects of A I D's forestry programs, including

- Institutional change, including changes in policies, legislation and local organizations that encourage environmentally responsible forestry use,
- Impact on practices, including adoption of environmentally sound forest use and management practices in farm forestry, community forestry and forest parks and preserves programs,
- Bio-physical impact, such as changes in tree cover, quality of soils and diversity of plant and animal species in forest habitats, and
- Socio-economic impacts, including changes in incomes of farmers, indigenous populations and forest user groups

Fieldwork will be conducted during FY 1993 and in early FY 1994, and a synthesis report will be completed that identifies lessons learned for environmentally sound forest management.

C.2 Sustainable Agriculture and the Environment

Objective

To measure the environmental impact of A.I.D. programs designed to promote sustainable crop and livestock production in the developing countries and to identify approaches that have been both environmentally sound and economically successful

Rationale

Sustainable agriculture programs are designed to increase agricultural productivity while maintaining or enhancing the natural resource base. These programs include investments in integrated pest management and biological nitrogen fixation to reduce dependence on chemical fertilizers and pesticides, investments in improved tillage, agroforestry, and watershed management to improve soil conservation and increase soil nutrient and moisture content; and improvements in tenurial systems that encourage secure access to cropland and rangelands. According to a 1992 desk study, A.I.D. authorizations to support sustainable agriculture programs during 1980-91 were about \$645 million, or about 40 percent of total authorizations to support A.I.D. projects with an environmental and natural resources focus during this period.

Description

The proposed assessment will address the following key issues

- to what extent is there a trade-off between increased agricultural production and improved resource conservation? For example, agriculture input subsidy policies that stimulate excessive use of pesticides or chemical fertilizers will have a negative environmental impact, but at the same time they may contribute to increased production, at least in the short run.
- To what extent is ownership of, and access to, natural resources (especially land and water) a

necessary condition for sustainable resource management?

- To what extent should institution building activities target the public sector, the private sector, or NGOs in an effort to strengthen sustainable agriculture programs?
- To what extent are some groups likely to benefit, and other groups likely to lose, as a result of programs designed to support sustainable agriculture?

Fieldwork will be undertaken in FY 1993 and FY 1994, and the results will be disseminated toward the end of FY 1994

C.3 A.I.D. Investments in Agriculture

Objective

To assess the conditions under which A.I.D. investments in agricultural development have been successful, and unsuccessful, in contributing to broadly based agricultural growth in the developing countries

Rationale

A.I.D. has provided large amounts of funding to support agricultural development in the low income countries. During the 1980s, for example, A.I.D. investments in agriculture exceeded \$1 billion each year. In addition to environment and natural resources management, these investments were concentrated in six main areas: (1) improving agriculture-related institutions, (2) strengthening tenure security and access to land, (3) supporting an economic policy framework conducive to agricultural growth, (4) developing and disseminating high-yielding (and/or cost-reducing) agricultural technology (research, extension, and education), (5) financing rural infrastructure (rural roads, irrigation, and rural electrification), and (6) supporting agricultural services (credit, marketing and storage). This assessment will evaluate the conditions under which A.I.D. investments in each of these six areas were successful and unsuccessful—and why.

Description

CDIE and other Agency units have performed numerous evaluation studies of activities in these areas. For this assessment, CDIE will carry out a desk study to synthesize the results of existing studies and to answer the following key questions:

- Is there a logical sequence to investing in these six areas, under what conditions does one or another area typically constitute the binding constraint to broadly based agricultural growth?
- Which agricultural investments have typically shown the highest economic rate of return?
- Has the private sector typically invested in certain areas while the public sector has tended to invest in others?
- Does the U.S. have a comparative advantage in providing agricultural assistance in some areas compared to others?

The desk study will begin in FY 1993 and be completed early in FY 1994.

C.4 Agribusiness

Objective

To assess the underlying intervention strategies, performance, cost effectiveness, and impacts of selected "agribusiness" projects supported by AID.

Rationale

A consensus has developed within AID that the private sector is typically more efficient than the public sector in undertaking many agricultural activities. Projects designed to assist the private sector in developing countries perform these functions—production, processing, and marketing of agricultural inputs and outputs—are generally characterized as agribusiness projects, and AID funding for them grew substantially during the 1980s.

The Agency's experience in this area is now substantial enough to warrant a broad assessment of efforts to date. Findings of the evaluation will

be helpful for improving the performance, sustainability, and impact of ongoing agribusiness programs around the world and for designing effective initiatives in Eastern Europe and the Newly Independent States.

Description

Issues to be examined will include:

- whether the intervention strategies followed by agribusiness projects are theoretically sound and empirically grounded,
- the overall performance of such projects, and the extent to which they have accomplished their stated objectives,
- the types of agribusiness projects that have proved to be most effective in alleviating critical bottlenecks and increasing productivity,
- the factors and conditions that affect the sustainability of agribusiness projects,
- the appropriate role of the private sector vis-à-vis the public sector in supporting agricultural research and extension,
- whether AID has a comparative advantage in supporting agribusiness projects and, if so, which modes of assistance are most effective.

Beginning in FY 1993, the evaluation will commence with a desk study based on an in-depth review of project and program documents, past and current evaluations, and academic literature. Experts within and outside of AID will be interviewed. The second phase will involve five or six countries. The results of the evaluation will be disseminated in the third quarter of FY 1994.

C.5 Energy Conservation And The Environment

Objective

To measure the impact of AID assistance on energy savings and on associated pollutants in developing countries and to identify the approaches and conditions that influence the performance of such energy conservation programs.

Rationale

In FY 1992, A I D funding obligations for programs to address efficient and renewable energy production and use were about \$130 million, or 20 percent of the Agency's total \$650 million portfolio of environmental programs that year. This level of investment reflects the Agency's concern over the economic consequences of inefficient energy use and the adverse environmental effects of energy waste. An assessment of these programs will contribute to better implementation of the energy production and use dimension of the Agency's new Environmental Strategy.

Description

The desk study for this evaluation has been completed and an analytical framework for the field evaluations has been formulated to assess the following different kinds of effects of A I D energy conservation programs:

- Institutional changes, including the extent to which energy management concerns have been incorporated into national trade and finance policy, into legislation that regulates and promotes private sector behavior, and by public agencies that implement information, awareness, technical assistance and enforcement measures
- Impact on practices and socioeconomic conditions, including effects on the ways energy is managed and used in the industrial, agricultural, transport and construction sectors, and impacts on living conditions
- Bio-physical impacts, including the effect of better energy use and management practices on the levels of emissions of pollutants and forest fuelwood stocks

Six country case studies are scheduled for FY 1994-1995. In FY 1995, a final synthesis report will consolidate all program reviews and field evaluation studies to identify the lessons learned and management implications for energy conservation program assistance.

C.6 Food Aid for Development

Objective

To assess the development impact of the PL 480 Title III and Title II, Section 206 programs

Rationale

Since its inception in 1954, PL 480 legislation has had various objectives, including market development, U S foreign policy advancement, humanitarian assistance, and economic development. In 1977 Congress enacted the PL 480 Title III Food for Development Program, which focused on one objective in particular: economic development. In addition, development-oriented food aid programs authorized under PL 480 Title II, Section 206 increased during this period, especially in chronic food-deficit countries in sub-Saharan Africa. Although the 1990 Farm Bill modified Title III and abolished Title II, Section 206, the overall objectives of these programs were retained: to use food aid to stimulate economic development and enhance food security in the low-income developing countries. It is important to understand whether, and under what conditions, food aid programs designed specifically to achieve development objectives have, in fact, been successful.

Description

In the early 1980s, CDIE completed an assessment of the PL 480 Title I program. This assessment of the PL 480 Title III and Title II, Section 206 programs will examine several of the same substantive issues as the Title I assessment. In addition, however, it will compare and contrast the development impact of Title I food aid vis-à-vis food aid designed explicitly to have a development impact. The A I D assessment will complement a GAO evaluation of the modified Title III program.

Four areas of development impact will be assessed including:

- the macroeconomic impact of the food aid
- the impact of the food aid on economic policy reform,

- the impact of the local currency generated from the sale of the food aid and then programmed to support development activities,
- the potential disincentive effect of the food aid on domestic food production

The assessment will also identify the most important factors that help to explain positive or negative development impact and successful or

unsuccessful program performance. AID management, the host country environment, and legislative requirements are some of the factors that are likely to be important.

This assessment will involve a desk study and possibly a series of field assessments which will take place in FY 1995.

D. Human Services

In this area, CDIE has focused in the past year on completing ongoing evaluations of child survival programs and of population programs. The last two country case studies under the Child Survival evaluation have been completed, and the Assessment Report, synthesizing findings from the entire evaluation, is nearly ready for publication. Under the Population evaluation, the final four country case studies have been conducted. This evaluation will be completed in the third quarter of FY 1993.

D.1 Child Survival

Objective

To evaluate the performance of AID's child survival programs

Rationale

The health and survival of children is a universal concern, and prospects for long-term development and an acceptable quality of life will remain dim in developing countries until health conditions improve. For many years, AID has included child survival programs as a major program emphasis. Some of the initial objectives of the worldwide program have been achieved and even exceeded. The performance of these programs in reducing infant and child mortality and morbidity and in enhancing countries' national health care systems needs to be examined so that the Agency can make decisions concerning future programming in this area.

Description

Based on child survival field studies in Egypt, Indonesia, Haiti, Morocco, Bolivia and Malawi, the assessment will

- document the impact of AID child survival interventions in improving child health
- review the effectiveness of specific intervention approaches, for example, immunizations

diarrheal disease control, food aid, and child feeding programs,

- identify contributions and lessons learned in strengthening host country capacities to support and sustain child survival programs, and
- identify an agenda of issues that AID and host countries need to address in improving future programming of child survival efforts. Special emphasis will be placed on evaluating the sustainability and institutionalization of AID-supported child survival services.

The fieldwork is completed and the final assessment paper and presentation of results will be done in May 1993.

D.2 Population

Objective

To evaluate the effectiveness, sustainability, and demographic impact of AID-supported population and family planning services.

Rationale

AID has long been a leader in the field of population programs, having begun work in this area over 25 years ago. Nevertheless, AID's population assistance has not been broadly and systematically evaluated. Two recent GAO reports have urged AID to evaluate the effectiveness and impact of the population program. Furthermore, because of the Agency's large investment in the population sector, its high profile worldwide as a leader in this area, and the controversial and sensitive nature of the sector, AID senior management needs to be fully informed about the impact of different elements of the population program to defend and explain the program, make well-advised management determinations, and plan future efforts.

Description

This assessment was begun during FY 1990. Field studies of Kenya, the Philippines, Ghana, Honduras, and Tunisia have been completed, as has a desk study of the Pakistan family planning program. These case studies have examined the performance of national programs, with specific attention to A I D 's role in broadening the coverage and availability of family planning services. The studies have looked at the ability of recipient countries to continue to support family planning programs and sustain the same level of benefits following termination of outside assistance. A major evaluation concern has been the impact of the A I D -supported programs on use of contraception and on fertility levels.

Data collection and analysis have been completed and final results and recommendations will be available by the summer of 1993.

D.3 Basic Education

Objective

To determine the extent to which A I D 's Basic Education Strategy is effectively strengthening basic education services and accomplishing education policy reform objectives.

Rationale

Basic education is the subject of special high-level political interest. In recent years, Congress has encouraged A I D to expand its programming in basic education and has earmarked funding for basic education activities. Also, the international "Education for All" movement has sparked new policy-level interest in basic education in the donor community and in developing countries.

Following an internal review in 1983, the Agency adopted a Basic Education Strategy that emphasized programming to improve the internal efficiency with which educational resources are used, the quantitative and qualitative outputs of education and training investments, and the effectiveness of education and training systems in supporting economic and social development objectives.

The assessment will determine how successfully A I D has implemented this strategy, by first examining the effectiveness, efficiency and sustainability of A I D -supported basic education activities, and second, evaluating the impact of these activities on the basic education needs of partner countries.

Description

The assessment will compile existing evaluation information from A I D basic education projects in as many countries as possible. Evidence regarding direct impact on educational quality (improved mastery of basic skills, improved retention and graduation rates, etc.) as well as long-term impacts on other sectors (decreased fertility, improved health status, etc.) will be sought. Evidence of A I D impact on education policy in cooperating countries will also be assembled. This evidence will be synthesized in a working paper, to be completed in early FY 94. Depending on the conclusions of the initial working paper, a *field assessment* may be undertaken in approximately six countries to gain further qualitative and statistical insights into the performance of the A I D basic education program and to suggest ways in which impact might be enhanced. Fieldwork will be done in FY 1994 and results will be reported in early FY 1995.

D.4 AIDS Prevention and Control

Objective

To assess the impact and effectiveness of A I D activities designed to combat the spread of HIV/AIDS in developing countries.

Rationale

A I D has been a pioneer in designing and implementing projects to prevent and control the AIDS epidemic in the developing world. It initiated activities as early as 1986 and has supported AIDS prevention and control activities in more than 70 countries. Its annual budget for AIDS related activities for FY 1991 was \$88 million.

A comprehensive assessment of A I D -supported HIV/AIDS activities is needed for three reasons. First, A I D has as yet done no major evaluation of its program as a whole. In fact, only a limited number of evaluations have been conducted on individual projects. Second, significant funding has been spent, and, because of the enormity of the problem, the level of funding will continue to rise over time. New interventions may benefit from findings concerning the performance of earlier efforts. Finally, the AIDS epidemic has generated a high level of interest and concern in the Congress, public opinion, the medical community, and organized advocacy groups.

Description

The proposed assessment will examine

- the major intervention strategies followed by the Agency,
- the performance of A I D -supported interventions in different socio-economic environments,
- institutional and economic sustainability of these projects, and
- long-term impact of A I D interventions on countries' health conditions, economies and societies

In FY 1994, CDIE will sponsor a stakeholder workshop, bringing together experts from international donor agencies, private voluntary organizations, contractor organizations and A I D to identify critical evaluation issues and needs. A review of existing documentation and interviews with managers, experts and other informed people will be conducted. In FY 1995, field studies may be conducted in several countries and findings and management recommendations will be finalized and presented.

D.5 Health Care Financing

Objective

To evaluate the Agency's experience in reform of health financing policies and practices, primarily in terms of longer term impact

Rationale

Despite the reductions in morbidity and mortality achieved over the past three decades by developing country health systems, further gains are constrained by public sector budgetary shortfalls and an insufficiency of appropriate, cost-effective alternative services. Four major problems have been identified

- insufficient spending on cost-effective public programs,
- wasteful public programs of poor quality,
- inequitable distribution of health services, and
- constraints to the private sector provision of health services

During the 1980s, A I D increased emphasis on sustainability and the introduction of new approaches to financing health care. The Agency issued new guidelines on health financing to help A I D/W and Mission staffs evaluate specific financing approaches and activities and to encourage developing countries to change their policies and create more equitable, responsive, and sustainable health services. The new guidelines required that economic and financial analysis be "rigorously applied" in new project design, that private sector approaches to providing health care be utilized where appropriate, and that user fees and other cost-recovery mechanisms be explored. What is now needed is an appraisal of the factors that promote or impede changes in policies and practices and evidence that health financing improvements result in improved accessibility to and quality of health care.

Description

This assessment will examine the extent to which (1) public funds have been provided for preventive and promotive health services that benefit the public as a whole, (2) financing of personal curative services has been shifted to those willing and able to pay, and (3) private providers have been motivated to finance preventive and promotive as well as curative services.

The assessment will be initiated in FY 1995 with a review of the literature—including evaluations of Agency health financing projects—around the four themes of resource mobilization

and allocation, cost containment, the role of the private sector, and the organization and financing of health services Fieldwork will take place later

in FY 1995 and results will be available early in FY 1996

E. Other Programs

This group comprises CDIE's evaluations of democracy programs as well as cross-cutting programs that do not fit under one of the four preceding rubrics. Since the publication of last year's Agenda, the evaluation of the development and commercial impacts of capital projects has been designed and field work begun with the first field trip to Egypt. The evaluation of programs to strengthen legal systems has also been designed, and its first two country case studies have been conducted. Design work has begun on an evaluation of A.I.D. programs that promote civil society.

E.1 Capital Projects

Objective

To examine A.I.D.'s experience with capital projects in order to judge their effectiveness in promoting development and in promoting U.S. commercial interests.

Rationale

There is growing interest in parts of Congress and the Executive Branch in using U.S. foreign assistance to a greater extent as a means for advancing U.S. commercial interests while at the same time maintaining the international development objectives of the program. There have been Congressional and other proposals to establish a capital projects fund, a mixed credit program, and other trade-related programs. Development economists stress that, for many developing countries, capital infrastructure is an investment with a high economic payoff, which is often a prerequisite for any development program. While many see a high degree of concurrence between LDC development and U.S. commercial interests, others are cautious, citing the potential for conflicts.

As A.I.D. considers the establishment of a capital projects fund, many ideas have been put forth as a rationale or justification for capital projects. Since A.I.D. and its predecessor organizations have been undertaking capital projects for over 40

years, the Agency is not starting from scratch. It would be useful to examine A.I.D.'s previous experience with capital projects before launching a new effort. The findings of this study will help A.I.D. determine the conditions under which capital projects are most appropriate and how to effectively design such programs.

Description

The analysis will examine the issues that have been put forth concerning benefits (to justify a major increase in capital projects) to see if those arguments are in fact reflected in actual A.I.D. experience. The analysis will also examine arguments against using capital projects as a tool to promote U.S. commercial interests. Based on the analysis, judgments will be made about appropriateness and benefits of capital projects as a development tool for A.I.D.

The assessment started with a desk study and data analysis in FY 1992. Fieldwork is underway. A final synthesis report will be completed by early FY 1994.

E.2 Legal Systems Development

Objective

To assess the impact of A.I.D. programs designed to improve the effectiveness of judiciary systems and access to legal systems and to recommend directions for future programming.

Rationale

Over the past decade, A.I.D. devoted increasing resources to programs intended to enhance the role of the judiciary in developing countries. The Administration of Justice program, for example, has become a cornerstone of the Agency's democracy initiative in Latin America, where it seeks to improve the administrative, technical, and legal per-

formance of national justice systems and strengthen independence of judiciaries. In Asia and South Africa, legal resource programs work with communities and client groups to address issues of distributive justice, social change, policy advocacy, resource allocation, and the enforcement or expansion of rights. This evaluation will provide important lessons in the design and implementation of such programs. The primary audience for the study are A I D policy and program managers.

Description

This evaluation will assess the effectiveness, efficiency, impact, and sustainability of programs that seek to enhance the role of the judiciary. It will examine both the supply side (administration of justice) and the demand side (legal resources programs), as well as the relationship between the two, and it will assess the importance of these programs to the broader processes of participation and democratization. The study will review past and future strategies, evaluate A I D 's capacity to administer judicial and legal programs, and provide recommendations to improve program design and implementation.

Fieldwork is underway. The results of the assessment will be available by the middle of FY 1994.

E.3 Civil Society

Objective

To examine the impact on democracy of A I D and other donor experience in promoting nongovernmental associations either directly or indirectly in the political arena.

Rationale

"Civil society" is a fundamental underpinning of democracy, and occupies a central position in A I D 's democracy initiative (Democracy and Governance Policy Paper, November 1991). Aside from free and fair elections, which occur only at periodic intervals, voluntary associations are the primary means by which citizens can articulate their interests and concerns both to the

state and to the society at large. Such associations range from self-professed lobbying groups (such as sugar farmers' organizations or lawyer' societies) through ascriptively based interest groups (such as women's or minority organizations) and civil rights groups (for example, human rights supporters) to local citizens' associations (such as mothers' clubs or irrigation user groups).

Through activities like its Women in Development efforts and assistance for human rights groups, A I D has considerable experience in supporting civil associations directly involved in the political life of host countries. If the much larger ambit of NGOs in general (irrespective of their political involvement) is taken into account, the Agency has a much richer experience, with its support over several decades for credit societies, family planning groups, community health associations, and the like. Examining the intended and unintended impacts of assistance to these groups and other civic associations can contribute to improving the effectiveness of A I D 's democratic initiative.

Description

The analysis will examine conditions under which civic associations have contributed to building democracy. It will also focus on how A I D support for such activities helped, either directly (as in assisting human rights groups whose principle rationale is to operate as advocacy agencies in the political arena) or indirectly (as in assisting community health organizations that only gradually—and quite likely independently of A I D support—took on a civic advocacy role). The study has begun with a desk study reviewing the literature and A I D and other donor experience in promoting civil society programs. Limited fieldwork will be conducted in FY 1993 and FY 1994, and a synthesis paper containing lessons learned and program guidance will be completed in mid FY 1994.

E.4 The Impact of Disasters on Development

Objective

To determine the economic and social impact of disasters on development and the relationship between expenditures on disaster prevention and mitigation and the actual losses from disasters

Rationale

Over the past twenty years, disasters have increased in number, cost, complexity, and duration. During the 1970s and 1980s, A.I.D. disaster relief expenditures rose from \$159 million to \$261 million per year. In order to improve its capability to respond effectively to disasters, A.I.D. needs to investigate the degree to which disaster relief costs and the economic losses of disrupted development might be reduced by incorporating disaster prevention, mitigation, and preparedness into development planning. The first step in this analysis is to get specific information on the magnitude and costs of disasters. Based on this information, A.I.D. can consider cost-effective ways to prevent or mitigate disasters.

Description

This study will quantify the economic and social costs of various types of disasters. It will then examine the cost of disaster Prevention/Mitigation/Preparedness (PMP) for the various types of disasters and the relationship between investments in PMP and disaster losses. Key factors to be investigated include the impact of various types of disasters (natural and man-made) in terms of

- the direct relief and rehabilitation costs of disaster to LDCs,
- relief and rehabilitation costs borne by A.I.D. and the donor community,
- the longer-run national economic losses to LDCs, and
- financial losses and disruptions incurred in A.I.D. and other donor-supported development programs

The assessment will begin with a data and literature search of the analytical linkages between development and disasters in FY 1994. The literature review will include both A.I.D. and non-A.I.D. studies and reports. Based on the literature review, a decision will be made on whether to undertake further analyses, including country field studies of the effects of PMP interventions on losses caused by disasters.

E.5 Decentralization

Objective

To examine the impact of A.I.D. and other donor experience in promoting decentralization to advance democratization.

Rationale

Over the past 3 decades, A.I.D. investments in decentralization activities covering rural, urban, and regional development, as well as various sectoral projects, have represented a substantial program investment. Among the various forms of decentralization pursued, administrative deconcentration is the dominant form to which project assistance has been committed. Yet, frequent reference is made at the level of either project goal or purpose to the beneficial effects of increased popular participation. Little effort has been expended to identify the links between specified project outputs and achievement of these desirable democratic ends. Nor are evaluations commonly tasked with the responsibility for determining the success of these efforts in fostering increased popular participation and the heightened transparency with which it is postulated will improve accountability and citizen satisfaction.

This assessment will address this gap by focusing attention on the link between decentralization and democratization. The primary audience for the study will be A.I.D. policy and program managers.

Description

Preliminary desk studies for this evaluation will begin at the end of FY 1994, followed by a number of country case studies in FY 1995. A final

report of the assessment findings and recommendations will be completed in late FY 1995

Section II

OPERATIONS AND MANAGEMENT SYSTEMS EVALUATIONS

This section provides a brief discussion of the topics planned for the operations and management systems evaluations. These evaluations will analyze the effectiveness and efficiency of various Agencywide organizational and management systems, delivery systems, operational and regulatory procedures, etc., in order to recommend ways to improve our capacity to achieve development results.

Operations and Management Evaluations

Operations and Management Assessments - how A I D does its business - are a new area of endeavor for CDIE. During the past year, CDIE completed its assessment of A I D 's in-country presence, and a study of Agency efforts to institute performance-based budgeting has gone to publication. Design work is nearly complete for an evaluation of A I D 's use of NGOs to promote development. This last study and planned evaluations of A I D 's use of technical assistance and of universities will constitute a comprehensive examination of the major implementation channels for A.I.D assistance.

1. Performance-Based Budgeting

Objective

To examine A I D 's experience in developing a performance-based budgeting (PBB) system and to recommend future directions.

Rationale

Historically, the budgeting process has been linked more with political expediencies and with the success of individual Missions in obligating and spending the monies allotted them, rather than with the performance of the recipient country or the A I D Mission in achieving the intended development results. Functional accounts and Congressional earmarking of funds for particular countries and programs have exacerbated the political dynamics of the budgeting process. In recent years, the Africa Bureau was able to extricate itself from a largely political budgeting process with the establishment of the Development Fund for Africa (DFA). Unencumbered by functional accounts, the Africa Bureau has been laying the groundwork for a PBB system based on criteria of country need, country commitment, and A I D

portfolio performance. The Latin America Bureau and the Asia Bureau have also begun to develop PBB systems.

The audience of the assessment will be A I D /W and Mission management as well as OMB, which has mandated that A I D establish a PBB system and recently requested in a Hearing that A I D assess and report on its progress to date. GAO also has an increasing interest in developing program performance indicators in Federal Agencies. The findings of this study should contribute to the identification of the types of indicators that will comprise an Agencywide program performance database and reporting system.

Description

This management assessment will

- examine A I D 's experience in developing PBB systems,
- determine which indicators of performance hold most promise as a foundation for the budget allocation process,
- research what proportion of A I D funds can be budgeted according to performance and assess such constraints as functional accounts, existing pipelines and earmarking,
- assess how the PBB system can be linked with the program performance measurement efforts currently being undertaken in numerous Missions,
- evaluate the progress to date in linking performance to budgeting decisions, and
- make recommendations for future directions.

This assessment has been completed and results will be disseminated during the third quarter of FY 1993.

2. Achieving Development Objectives Through Nongovernmental Organizations

Objective

To examine the experience to date of achieving A I D 's development objectives through nongovernmental means and to determine to what extent and in what circumstances NGOs can best implement A I D 's program

Rationale

During the 1988 review of development assistance by the Hamilton-Gilman Task Force, a number of groups concerned with development recommended an increased reliance on nongovernmental organizations to implement development assistance. Their reasons for increased use of NGOs include

- the inability of LDC governments to finance all development,
- the need for a viable alternative to working with governments that are corrupt or otherwise unacceptable, and
- the theory that sustainable development is most effectively implemented by the people it is designed to benefit

Description

This assessment will review A I D 's experience working with nongovernmental organizations. The assessment will evaluate the effectiveness of NGOs in helping accomplish A I D 's development objectives in different sectors and the strengths and weaknesses of A I D 's management of NGO activities. A desk study and subsequent field visits will attempt to answer the following questions

- To what extent can NGOs be relied upon to achieve critical development goals?

- What types of projects can NGOs effectively implement, and what types of projects, if any, do they have difficulty dealing with?
- What should be the respective responsibilities of A I D and NGOs with regard to project design and implementation?
- How can U S -based and indigenous NGOs best ensure the sustainability of their development efforts?

The assessment will make management recommendations concerning how A I D can make better use of NGOs in development, for example, through changes in A I D policies and procedures, the NGO registration process, or the redefinition of NGO projects

This assessment has begun and results will be disseminated by mid-FY 1994

3. Control and Accountability

Objective

To assess the costs and benefits of A I D 's current emphasis on control and financial accountability

Rationale

The last decade has seen increasing concern with control of A I D 's assistance programs to assure that the U S taxpayers' funds are not wasted through mismanagement or corruption. The resulting procurement procedures, financial tracking requirements, and narrowly-defined ethical standards have led A I D officials to focus their attention less on program effectiveness and more on audit awareness and fear of criminal prosecution. A I D increasingly feels the need to micromanage field activities, delegating less authority and responsibility to host country counterparts and other implementing organizations. This raises the cost and diminishes the impact of development projects. High administrative costs, long delays, ill will, and an atmosphere of mistrust between A I D field staff and counterparts too often result from A I D 's complex financial reporting and auditing requirements. While nobody

favors the waste of taxpayers' funds, over-auditing—as opposed to random spot checks or even audits only when there is cause to suspect problems—may well cost more than can be recovered. Dollar and local currency tracking to the level of the ultimate recipient may not be an effective way of assuring the appropriate use of A I D 's funds.

Description

This assessment will catalogue the various control and accountability requirements currently affecting the Agency and will assess each in terms of its benefits weighed against its costs. It is expected that a set of proposals for an appropriate degree of control and financial accountability can be devised, balancing a legitimate interest in reducing waste with the overriding goal of program effectiveness and the compelling objective of reducing operating costs.

Beginning in the third quarter of FY 1994, the assessment will be conducted in three phases. First, interviews in A I D /W will catalogue the requirements and their costs. In the second phase, detailed studies will be conducted through a literature review, where possible, and field visits, where necessary, will occur in the second quarter of FY 1995. Finally, focus groups will be organized in Washington to see if solutions can be found.

4. A.I.D.'s Use of Technical Assistance

Objective

To evaluate how effective A I D 's use of technical assistance has been in promoting institutional development.

Rationale

Donors, including A I D , have invested considerable resources in building and strengthening indigenous institutions to promote development objectives in poor countries. Typically, the most significant cost element of these efforts is the pro-

vision of technical assistance, usually long term. The record of success of this technical assistance is mixed. Institution building and strengthening will continue to have a high priority in the 1990s, although the institutions to be addressed are changing from those of the past. Consequently it is critical to examine the effectiveness of technical assistance to determine how A I D can best use this development resource.

Description

This assessment will determine the characteristics of those technical assistance efforts that have proven to be successful in transferring the skills, attitudes, and systems necessary for creating and sustaining effective institutions. Where these efforts have failed, common characteristics contributing to those failures will be identified. Among the issues to be addressed are

- the alternative modalities to providing technical assistance,
- the circumstances under which technical assistance is an effective vehicle for building, strengthening, or sustaining institutions in the developing world,
- whether technical assistance is the most cost-effective way for donors to contribute to institutional development,
- how to improve procurement and management of technical assistance, and
- whether other vehicles, such as specialized training or practical experience in other countries, might not be better ways for A I D to promote institutional development.

The assessment will begin with a review of the literature on the use of technical assistance in institution-building or institution-strengthening projects. There will be extensive interviewing of A I D staff in A I D /Washington and the field, as well as interviews of selected technical assistance personnel and recipient country officials in the field. The study will require 10 months to complete, and results will become available by the second half of FY 1995. Significant findings of this assessment could be developed into field guidance.

5. The Role of U.S. Universities in A.I.D. Development Assistance

Objective

To review A I D 's experience with U S universities in different capacities and to recommend how A I D may most effectively involve U S universities in its future development assistance programs

Rationale

Over the last 30 years, U S universities have been involved in A I D programming in many different capacities. U S universities have provided technical assistance teams and advisors, training of thousands of A I D participants, research services, and linkage programs with developing country universities. U S universities and university consortia offer some unique advantages and resources to A I D, including the depth of their in-house technical expertise, their information resources and analytical capabilities, and the prestige they enjoy in the U S and overseas. However, A I D -supported university activities have also sometimes experienced problems from A I D 's point of view, including high costs, universities' reluctance to be associated with U S

government political objectives, an unsympathetic attitude toward A I D 's administrative requirements, and priorities that are sometimes at odds with those of A I D

Description

The assessment will be broad in scope, reviewing A I D 's experience with universities in a number of different kinds of activities. Overall issues that will be assessed include

- the effectiveness and costs of U S universities' participation in different kinds of A I D development activities,
- evidence concerning the value to A I D of the unique characteristics and resources offered by universities, compared with alternative sources of services, and
- the appropriateness of existing A I D management and procurement practices as ways of involving universities effectively in A I D programming

Based on the findings, the assessment will make recommendations concerning utilization of university services by A I D in the future. The assessment will begin in FY 1995 with a desk study of evaluations of A I D -supported university activities over the last 30 years. Subsequently, fieldwork will be undertaken to directly assess the efficiency and impact of university activities

Section III

SHELF TOPICS

CDIE will undertake the evaluations presented in this section only if sufficient resources become available. At the time this agenda was prepared, CDIE made assumptions regarding the availability of

- Operating expenses funding for the travel of USDH employees,
- Program funds for contract technical services to help conduct the evaluations, and
- The availability of USDH staff (both in and outside CDIE) to conduct the evaluations

If additional resources become available, it will be possible to conduct one or more of these evaluations. Conversely, if resources are cut below our planning levels, more evaluations will have to be moved "below the line" from the first two sections of this Agenda onto the shelf.

Shelf Items

Microenterprise Development

Objective

To assess the performance and impact of A.I.D. microenterprise development programs

Rationale

For nearly two decades, A.I.D. has been a leader in the field of microenterprise development. Recently, A.I.D. has devoted an increasing amount of funding for microenterprise activities from \$58 million in FY 1988 to \$112 million in FY 1991, largely as a result of Congressional prompting and earmarks. Supporters argue that some microenterprise development programs effectively target the poor, who benefit from increased employment and incomes, and can potentially create sustainable financial intermediaries. Detractors, on the other hand, argue that such directed credit programs allocate resources inefficiently and distract developing countries from more fundamental financial market reform. In 1989, CDIE completed a major stocktaking of A.I.D.'s experience with microenterprise development. Since that time, the Agency has not undertaken a worldwide look at its progress in achieving the objectives of its microenterprise programs or the broader development impact of these programs. Donors' increasing commitment to poverty alleviation makes such a reassessment especially timely.

Description

The first step of this assessment, should it be undertaken, will be a desk study reviewing the literature on microenterprise development and documents on relevant A.I.D. programs and projects worldwide. Provisionally, the key issues to be examined include the following:

- the efficacy and sustainability of microenterprise credit systems,

- the impact and cost effectiveness of technical assistance to microenterprises,
- the impact and cost effectiveness of organizational development interventions, such as technical assistance, training, and research, and
- the context for effective microenterprise development, e.g., depth of financial markets, government commitment, the regulatory environment.

Urban and Industrial Waste Management

Objective

To measure the impact of A.I.D. assistance on changing the levels urban and industrial solid and liquid wastes and toxic and greenhouse gas emissions in developing countries and to identify those approaches that link trade, investment and technology in urban-industrial waste management programs

Rationale

In FY 1992 A.I.D. funding obligations for programs to address urban-industrial pollution problems were about \$200 million or 27 percent of the Agency's total \$650 million portfolio of environmental programs that year. This level of investment reflects the Agency's concern over the growing adverse impact that urban-industrial pollution is having on the well-being of developing country populations as well as, internationally, on vulnerable wildlife habitats and global climate change. It reflects interest on the part of the U.S. to share our waste management technologies with developing countries experiencing pollution problems that often accompany economic growth. An assessment of these programs will contribute to better strategies for promoting technological change and investment in urban industrial waste management programs.

Description

An initial review of past A I D urban-industrial pollution programs has already been conducted to identify common issues and strategies. If a full assessment is undertaken, field evaluation studies of Agency support to developing country urban-industrial waste management programs will be conducted. The impact of A I D programs will be evaluated at the following different levels:

- Institutional impact, including the extent to which waste management concerns have been incorporated into national trade and investment policy, into legislation that regulates and promotes private sector behavior, and by public agencies that implement information, awareness, technical assistance and finance programs
- Impact on practices, including the effect of new legal, policy and institutional conditions on urban-industrial waste -- handling, disposal and recycling -- management practices
- Bio-physical impacts, such as the effect of better waste management practices on solid wastes and gas emissions levels
- Socio-economic impacts, including the effect of environmentally sound urban-industrial waste management practices on industrial profits, on public and private expenditures, on job creation.

A final synthesis report will consolidate all reviews and field evaluation studies to identify the lessons learned and management implications for better urban-industrial waste programs.

Environmental Reviews

Objective

To examine the effectiveness and impact of A I D 's procedures for carrying out ex-ante environmental reviews (including initial environmental examinations, environmental assessments, and environmental impact statements) and procedures for project monitoring and evaluation of environmental concerns.

Rationale

In June 1988 CDIE completed a preliminary review of A I D 's experience with implementing environmental review procedures. That study concluded that A I D 's procedures were generally effective in screening projects that did not qualify for a "categorical exclusion," and which, therefore, required some degree of environmental review. However, it also concluded that some projects, even though they qualified for a categorical exclusion, had unintended adverse environmental effects.

The rationale for undertaking a more in-depth desk study of A I D 's environmental review procedures is to (1) provide an empirical underpinning to the conclusions reached in the 1988 preliminary study, and (2) address key issues not addressed in the 1988 study. These issues concern the effectiveness of A I D 's environmental review procedures as they are applied:

- to multilateral development bank (MDB) projects,
- to projects funded with host country-owned local currency generated from A I D 's bilateral assistance program, and
- to fostering the design or redesign of A I D projects with sound environmental approaches.

Description

This evaluation will be a desk study examining a relatively large number of A I D projects that are representative of A I D 's overall project portfolio. In addition to addressing the three issues listed above, the study will determine if any particular sector or type of project is more or less likely to have negative environmental effects.

Impact of Participant Training on Developing Country Institutions

Objective

To evaluate the impact of A I D -supported participant training on the performance of institutions in developing countries.

Rationale

Participant training has historically been a major part of A I D 's development assistance, more than 300,000 individuals from all over the world have been trained over the past 4 decades. A primary objective of participant training has been to develop and strengthen capacities and capabilities of institutions that have been identified by USAID Missions as key to sustainable development of host countries. To date, however, most evaluations of A I D training programs have focused on verifying project outputs and analyzing operational issues, rather than on assessing the impact of the training programs in achieving such programmatic objectives as strengthening institutions. An empirically grounded evaluation of impact could help shape future training activities as A.I D increases assistance in new programmatic (e.g., democracy) and geographic (e.g., Eastern Europe) areas.

Description

This evaluation will include an intensive review of past evaluations of A I D participant training programs, an examination of relevant training literature, and interviews of key decision-makers, managers, and implementors of training programs. The review and interviews will identify critical issues and appropriate methodologies for case studies.

A second phase, will involve five or six case studies of A I D recipient countries, selected on the basis of such criteria as stage of development, nature and volume of A.I D assistance, and technical and manpower resources. In each of these countries, two to three targeted institutions will be identified for study to determine the impact of A I D -financed training on their effectiveness. The evaluators will also assess the relative strengths and weaknesses of different types of training in achieving institutional development objectives.

Women and Girls in Development

Objective

To assess the impact and effectiveness of A I D 's experience in promoting Women in Development.

Rationale

Enhancing the participation of women in development has been an A.I D priority for over 15 years. During this time, different approaches have been tried to enhance the participation of women in A I D -supported development programs, ranging from separate "women only" projects with separate WID project officers to a more integrated approach attempting to assure that women's participation is institutionalized in mainstream A.I D development activities. More recently, striking research findings demonstrating the impact of primary education for girls has resulted in a broadening of the Agency's gender interest, adding special concern for girls. Also, in recent years, A I D has emphasized providing opportunities for women in the areas of development where they have been most excluded--private sector development (e.g., agribusiness, microenterprise), agriculture and natural resource management, and policy reform. A I D needs a program assessment to review the impact and effectiveness of the Agency's different Women in Development approaches, with special emphasis on the results of the institutionalization strategy.

A I D is presently preparing analyses, summaries, and special studies for presentation at a 1995 inter-agency review of WID activities sponsored by the Development Assistance Committee of OECD. The CDIE Assessment will be undertaken to supplement the material that A I D is presently preparing, should it be decided that there are important information gaps or needs.

Description

The proposed assessment will be a retrospective study of the impact of A I D programming on the economic, social, and political participation of

women in national development. The assessment will categorize the approaches and programming modes that A.I.D. has used at one time or another over the past two decades to enhance the participation of women, and will then review the success of each approach, drawing on the many project evaluations, strategies, WID inventories, etc. that have been generated over the years. Then, fieldwork may need to be undertaken to validate conclusions that emerge from reviewing the available literature. Based on these findings, recommendations for senior management will be presented, showing the way to more effectively promoting participation of women through A.I.D.'s development assistance programs.

Legislative Development

Objective

To examine the impact of A.I.D. programs in support of legislative development as part of the Agency's democracy initiative.

Rationale

Support for host-country parliamentary or legislative development is becoming an important feature of many of A.I.D.'s country democracy strategies. In the mid 1980s, A.I.D. initiated support to strengthen legislative capacities in the Central American and Caribbean region. These efforts are now being expanded to other countries in the Latin America and Asia regions, with the primary objectives of enhancing the capacities of legislatures to draft legislation, to perform more effectively their oversight of the executive branch of government, to improve their technical competence in important policy issues, and to enhance their capacity to represent constituent interests.

This assessment will evaluate the experience of A.I.D. and other donors in making legislatures more accountable and responsive branches of government. The major audience for this study will be A.I.D. policy and program managers.

Description

This assessment will evaluate the experience of A.I.D. and other donors in supporting legislative

development. Included in the study will be an examination of election procedures, political party organization, and other structural conditions that impinge on the performance of the legislature and that may need to be included as part of a more systemic approach in project design and implementation.

The assessment will begin with the preparation of a desk study, followed by several country assessments and a final assessment report.

Labor Unions

Objective

To examine the impact of A.I.D. investments in the promotion of labor unions as a means for supporting democratic development.

Rationale

Over the past 30 years, the AFL-CIO, through its three subsidiary organizations focusing on Africa, Latin America, and Asia, has used A.I.D. grants to support free labor movements in the developing world. Their activities have included the provision of assistance in basic union organizing, support for and defense of fundamental human and civil rights, the right of collective bargaining; the drafting of labor legislation and child labor laws, and support for democratic electoral processes. This longstanding history of support for labor union development is long overdue for a systematic A.I.D. evaluation. With A.I.D.'s new democracy initiative, labor union development will occupy a more central role in regional and country programming, with increased emphasis on the role of unions in promoting participation in democratic processes.

Description

This assessment will examine past experience in labor union development, identify the future agenda of issues to be addressed in this area, and draw lessons and guidelines for formulating labor development strategies as part of the democracy initiative. The primary audience for the study will be A.I.D. policy and program managers.

The study will begin with an analysis of the democracy strategies pursued by each of the AFL-CIO's regional institutes. Fieldwork will follow to assess the impact of the labor programs at the country level. A report of the findings will highlight major policy and strategy issues on the role of labor unions in developing democracies.

Managing A.I.D.'s Private Sector Initiative

Objective

To identify specific organizational and managerial constraints to effective implementation of A I D 's private sector mandate and to make systematic recommendations to better facilitate this mandate.

Rationale

A I D 's organizational culture, procedures, rules, and regulations have traditionally been set up to facilitate government-to-government assistance and projects which depend upon public sector implementation modes. In recent years, due to increasing appreciation of the importance of the role of the private sector to development, A I D has shifted toward the private sector, both to deliver traditional services and as an engine for economic development. A I D professionals have found that working with the private sector can be difficult, given A I D 's institutional history, legal restrictions on A I D 's ability to make equity investments in private firms, and other concerns, such as the potential for violation of competitive procedures and conflict of interest requirements. As a consequence, a great deal of time is spent trying to figure out how to interpret A I D 's rules and regulations as applied to the private sector and to devise modes of implementation that satisfy A I D 's constraints. The result is often less effective than it might be if A I D 's system were designed with the private sector in mind.

Description

The assessment will include a desk study, an Agencywide survey, and extensive interviewing of

A I D direct hire and contractor professionals, as well as representatives from the recipient countries. The study will require 8 months to be completed.

The desk study phase will review

- A I D Handbook procedures and existing FAA legislation and Federal Acquisition Regulations,
- A I D "standard" approaches to project selection, design, and implementation,
- studies that have been completed on A I D 's experience with the private sector; and
- a sampling of A I D private sector projects, both those in which the private sector was used as a delivery system and projects providing assistance to stimulate growth of the private sector.

Key informant interviews and focus groups will be held among A I D professionals most closely involved in the private sector program. Based on these initial interviews and group sessions, an Agencywide survey will be designed to obtain information regarding this topic from both A I D field and Washington staff, as well as from contractors and host country representatives active in the private sector portfolio. Select country studies will be conducted to see the impact of rules, regulations, and procedures upon the private sector mandate.

A.I.D.'s Implementation of Management Reforms

Objective

To evaluate the impact of management reforms implemented by A I D based on the 1991 and 1992 A I D management task forces.

Rationale

Before and during the Agency reorganization in 1991 and 1992, a number of task forces took a hard look at the way A I D does business and recommended some far-reaching changes. The recommendations, many of which were approved for implementation by the Administrator, involved

changes in the personnel incentive system, the programming system, the documentation system, procedures and regulations, handbooks, contracting, organization, staffing, and so on. Two important management reform packages were the Agency's Management Improvement Action Plan (reflecting SWAT, GAO and Ferris Commission recommendations) and the Incentives Project Report. Some of the management reforms were designed to install results-oriented management procedures, others sought to empower managers, others tried to institute "total quality management." Some of the recommendations were implemented and some were not. Some, like the new DAP/DAD procurement procedure, are being tested on a pilot scale. Now that a number of important reform initiatives have been implemented by the Agency, it becomes important to assess how useful the reforms have proven in terms of improved Agency performance.

Description

The assessment will begin with the identification of the most relevant management task forces and their recommendations. The following issues will then be evaluated:

- What impact, positive or negative, did the management reforms have on Agency operations?
- How many of the possible management reforms were implemented, how quickly, and on what scale?
- To what extent were the management reform efforts consistent, comprehensive and coordinated reform packages, as opposed to piecemeal, quick fix, or cosmetic reorderings of existing units or procedures?
- What was learned about the management reform process? Should reform ideas be internally-generated or initiated on the outside?

To leave time for the 1991 and 1992 reforms to operate and be institutionalized prior to being evaluated, this assessment, if it is undertaken, will begin during FY 1995, and the final results will be disseminated in FY 1996.

Inter-Agency Delivery of Foreign Aid

Objective

To assess AID's recent experience in working with other U.S. Government agencies on the delivery of foreign assistance, and to explore models for future collaboration.

Rationale

A growing number of U.S. Government agencies are undertaking development-related activities overseas, some through AID and some independently. AID's regional program for Eastern Europe, for example, finances technical assistance from over 20 U.S. Government agencies. An advantage of these arrangements is access to the highly-specialized technical resources that the different agencies offer. Disadvantages may include loss of coordinated strategic approaches to development in recipient countries and higher costs of providing assistance through multiple organizations.

Description

This assessment will examine AID's recent experience in providing assistance through or in conjunction with other U.S. Government agencies, including the nature of the relationship, which approaches work best, and under what conditions. The study also will develop models for future collaborative assistance. The assessment will utilize the case study approach, relying initially on examining centrally-funded or regional bureau activities.

Among the issues that may be examined are:

- the cost implications of inter-agency collaboration,
- Accountability requirements of delegating to another agency responsibility for AID-appropriated funds,
- development of performance indicators for inter-agency programs,
- the increased chances for program duplication or contradictory programs and

Schedule of Evaluation Studies: FY 1993-1995

	1993	1994	1995
<i>Economic Policy Reform and Public Sector Management</i>			
1 Social Safety Nets	■ ■		
2 Methodological Approaches to Policy Reform	● □ □ ■		
3 Managing the Policy Reform Process	● ● □ □	■	
4 Financial Sector Reform	● ● □ □	□ □ ■ ■	
5 Legal Regulatory Constraints to Policy Reform	● ● □ □	□ □ ■ ■	
6 Policy Reform at Macro Sector and Project Levels		● ● □	□ ■ □ □
<i>Private Sector Development</i>			
1 Export and Investment Promotion Services	■ ■ ■		
2 Export Promotion Growth and Poverty	● □	■	
3 Privatization and the Public Interest	● ●	□ □ □ ■	■
4 Private Provision of Social Services		●	□ □ □ ■
<i>Agriculture, Natural Resources, and the Environment</i>			
1 Forestry and Biodiversity Programs	● ● □ □	□ ■ ■	
2 Sustainable Agriculture and the Environment	● ● □ □	□ □ ■ ■	
3 AID Investments in Agriculture	● □	■	
4 Agribusiness	● ● □	□ ■ ■	
5 Energy Conservation	● ●	● □ □ □	■ ■
6 Food Aid for Development	● ●	●	□ □ ■ ■
<i>Human Services</i>			
1 Child Survival	□ ■ ■		
2 Population	□ ■ ■		
3 Basic Education	● ●	□ □ □ ■	■
4 AIDS Prevention and Control	● ●	● ● □	□ □ ■ ■
5 Health Care Financing			● □ □ □
<i>Other Programs</i>			
1 Capital Projects	□ □ □ □	□ ■ ■	
2 Legal Systems Development	□ □ □ □	■ ■	
3 Civil Society	● ● □	□ ■ ■	
4 Disaster Assistance		● □ □	■
5 Decentralization		●	● □ □ ■
<i>Operations and Management Assessments</i>			
1 Performance Based Budgeting	■ ■		
2 Development Through NGOs	● ● □ □	■ ■	
3 Control and Accountability	● □	□ □ ■ ■	
4 AID's Use of Technical Assistance	●	□ □ ■ ■	
5 Development Through U.S. Universities		● ● □	□ □ ■ □

Key ● = study in design □ = data collection and analysis ■ = synthesis and dissemination