



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Sixty-Eighth Session
Rome, 8-9 December 1999

REPORT AND RECOMMENDATION OF THE PRESIDENT

TO THE EXECUTIVE BOARD ON A PROPOSED

TECHNICAL ASSISTANCE GRANT

TO THE

CENTRE FOR STUDIES AND DEVELOPMENT PROMOTION (DESCO)

FOR THE

**PROGRAMME FOR STRENGTHENING THE REGIONAL CAPACITY FOR
MONITORING AND EVALUATION OF RURAL POVERTY-ALLEVIATION
PROJECTS IN LATIN AMERICA AND THE CARIBBEAN (PREVAL) – PHASE II**



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ABBREVIATIONS AND ACRONYMS

CIARA	Foundation for Training and Applied Research in Agrarian Reform
DESCO	Centre for Studies and Development Promotion
FIDAMERICA	Internet-based System of Information Exchange of IFAD Projects in Latin America
M&E	Monitoring and evaluation
NGO	Non-governmental organization
PREVAL	Programme for Strengthening the Regional Capacity for Monitoring and Evaluation of Rural Poverty-Alleviation Projects in Latin America and the Caribbean
PCU	Programme coordination unit
PROCASUR	Regional Programme for Training in Rural Development in Argentina, Bolivia, Chile, Paraguay, Peru and Uruguay
RUTA	Regional Unit for Technical Assistance
TA	Technical Assistance



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I submit the following Report and Recommendation on a proposed technical assistance grant to the Centre for Studies and Development Promotion (DESCO) to support the Programme for Strengthening the Regional Capacity for Monitoring and Evaluation of Rural Poverty-Alleviation Projects in Latin America and the Caribbean (PREVAL) – Phase II in the amount of USD 1.55 million for a four-year period.

I. PROGRAMME CONTEXT AND RATIONALE

1. **General Context and Background.** Donor agencies, governments and citizens around the world are increasingly demanding information on the results and impact of development initiatives. This has translated into the need for: (a) more effective and participatory monitoring and evaluation (M&E) systems aimed at producing information, not only for managing complex investment projects but also for allowing different actors, including local organizations of the intended beneficiaries, to be involved in project implementation and evaluation; and (b) the development of evaluation methodologies, mechanisms and learning systems that will permit capturing, processing and disseminating, in a systematic manner, the lessons acquired from project experience.
2. Most programmes and projects in the Latin America and the Caribbean Region and elsewhere have increasingly demonstrated capacities for generating information on the inputs utilized and resources spent. However, the vast majority of them still lack the ability to track systematically their progress towards achieving the intended sustainable impact at the beneficiary level. In order to address this limitation and to create and consolidate a “culture of learning” among IFAD projects and institutional partners and cooperating institutions, IFAD is involved in a series of interrelated and complementary initiatives geared towards enhancing the M&E and networking capacity of the Fund’s projects as part of its mandate as an international financial and development institution.
3. Some of these activities are the continuation of initial pilot projects (e.g. the Internet-based System of Information Exchange of IFAD Projects in Latin America (FIDAMERICA) network), which have generated knowledge/experience on the rural poor, establishing institutional linkages and assisting rural and indigenous organizations to access external technical assistance (TA). These TA grant activities constitute a key component of IFAD’s regional intervention strategy, and involve the financing of non-lending initiatives of regional or sub-regional scope, which complement the training and TA of projects under the lending programme.
4. In this context, the Fund approved in 1995 a TA grant for the implementation of the Programme for Strengthening the Regional Capacity for Evaluation of Rural Poverty-Alleviation Projects in Latin America and the Caribbean (PREVAL). An interim evaluation of the first phase of PREVAL took place in February 1999. It concluded that: (a) PREVAL played a key role in



positioning M&E in the institutional agenda across the region, and in reducing the gap between demand and supply of M&E services and TA; and (b) the programme also contributed to developing and disseminating methodologies for project evaluation; providing effective and innovative training in M&E to IFAD projects in the region. In addition, the PREVAL achieved the following: (a) created an electronic network of about 300 professionals; (b) created a specialized documentation centre; (c) produced and distributed key bibliographic materials and a quarterly newsletter; (d) set-up a roster of M&E specialists; and (e) established linkages and synergies with other regional programmes, such as the Regional Unit for Technical Assistance (RUTA) in Central America, the Southern Cone Regional Programme for Training in Rural Development (PROCASUR) and FIDAMERICA. Based on the findings and results obtained, the interim evaluation recommended a second phase of PREVAL.

5. **Rationale and relevance to IFAD.** The proposed second phase of PREVAL is founded on lessons drawn from the experience of the PREVAL and other regional initiatives. This includes the need to maintain, replicate and expand activities beyond the pilot phase, while seeking the consolidation and sustainability of operations.

6. The proposal for a second phase is justified primarily by: (a) the convergence that exists between the programme's objectives and the Fund's Corporate Strategy, primarily as to the establishment and utilization of knowledge networks on rural poverty in order to create a recognized knowledge organization, and to support projects and programmes driven by beneficiary participation in design, implementation and evaluation; (b) the training and technical advisory nature of the initiative, which is being designed to have a direct impact on IFAD's ongoing and forthcoming projects; and (c) the institutional networking character of the initiative, which will conduct key knowledge management activities and develop effective institutional partnerships and internet-based networks.

II. THE PROPOSED PROGRAMME

7. **Goals and objectives.** The overall goal of PREVAL-Phase II will be to contribute to the field impact and sustainability of IFAD-financed projects in the region, by strengthening their capacities for monitoring, impact assessment and institutional learning. This will be based on two complementary lines of action: provision of selected training and technical assistance services; and knowledge-generation, systematization and dissemination. Specific objectives include: (a) improving the effectiveness of project M&E systems by providing appropriate training and facilitating access to high quality and relevant TA services; (b) developing and reaching consensus on a set of standards for designing and implementing project performance-based monitoring systems; (c) producing, compiling and disseminating reference materials, innovative evaluation methodologies and practical tools for more effective impact assessment; (d) consolidating the current network of qualified, regionally based professionals and institutions in M&E and learning systems for rural poverty-alleviation projects; and (e) promoting the creation of an inter-agency forum to exchange good practices on M&E and institutional learning.

8. **Programme components and key activities.** Programme components include: (a) TA; (b) TA for the design and introduction of project-based M&E systems; (c) specialized training courses in M&E methodologies; (d) knowledge-generation, systematization and dissemination; (e) institutional partnership development; and (f) programme management.

9. Principal activities under the above components will encompass: provision of specialized TA; training courses for IFAD project staff and other clients; workshops/seminars; *in-situ* support for M&E system development; formulation, validation and promotion of the use of a set of standards for M&E system design and implementation at the project level; promotion of integral training plans; production of publications and training materials; expansion and enhancement of professional and



institutional networks; promotion of internships; facilitation of virtual exchange and electronic workshops, etc.; programme management and administration; M&E; and implementation support.

III. PROGRAMME OUTPUTS AND BENEFITS

10. **Outcomes and outputs.** It is expected that at the end of the proposed four-year implementation period, at least 70% of IFAD projects in Latin America and the Caribbean will report their progress on the basis of well-established and relevant indicators of impact and performance measurement. In addition, the following will be done: (a) a training package containing a “tool-kit” of M&E concepts and methods tailored to the specific context in which IFAD projects operate, will be developed and widely used as training and reference material; (b) a set of practical publications, videos and software, focusing on guiding and facilitating the incorporation of best practices in the M&E of rural development projects, will be available and consulted; (c) all IFAD projects will have participated and benefited from training provided by the programme; and (d) suitable inter-institutional arrangements will be established for training and TA in M&E, and for managing the regional network. Moreover, it is expected that an inter-agency forum on M&E and institutional learning will be created and joint activities will be developed with key regional and sub-regional partners. These will include the publication and formulation of standards, etc. Regional programmes will be formulated and, be under effective operation.

11. PREVAL-Phase II will also develop evaluation and learning methodologies that provide meaningful lessons from project experience to be used as outcome “good practices”. Dissemination of good evaluation practices will comprise those originating from IFAD projects and those of other development partners. The proposed programme should make a substantive contribution to fulfilling IFAD targeting concerns, as well as the institutional informational requirements coming from the field.

12. **Programme benefits and beneficiaries.** Direct programme beneficiaries include IFAD project staff, the technical staff of municipalities involved in local development planning, the representatives of rural organizations and specialized non-governmental organizations (NGOs) involved in rural development. Indirect beneficiaries comprise the expanding network of M&E professionals and institutions in the region and private providers of technical services. Programme benefits will result in enhanced human capacities throughout the region, through the results of more effective M&E and learning systems, and by more timely and qualitatively better reporting from the field.

IV. IMPLEMENTATION ARRANGEMENTS AND FOLLOW-UP

13. **Programme organization and implementation arrangements.** The programme will be executed by DESCO, a Peruvian NGO that specializes in development promotion and the strengthening of the self-improvement capacities of marginalized segments of the population. The DESCO intervenes through educational initiatives, training and production, and the systematization and dissemination of knowledge to both urban and rural development. DESCO activities have received financing from a multiplicity of private entities, bilateral organizations and the centre’s provision of documentation and consultancy services to the United Nations and other development agencies. With a long tradition, vast experience and relevant professional composition, the DESCO is uniquely qualified to execute Phase II. In addition, the DESCO presents conditions to seek sustainability of the programme’s major parts, especially regarding its role as facilitator of training and TA services and the information network and document centre.

14. At the start-up of Phase II, an advisory board, comprised of two M&E specialists (to be selected by IFAD), representatives of professionals involved in the various stages of IFAD project cycle and of leading institutions in M&E, will be constituted. The advisory board will meet annually and will advise in defining and prioritizing the programme’s strategic learning agenda. One of its first tasks



will be recommending benchmarks for assessing what will be considered as best practice in M&E for rural development projects. The programme coordination unit (PCU) will be comprised of a full-time director, a technical assistant and an administrative assistant. Its main responsibilities will be to manage activities and resources and to ensure programme effectiveness. The PCU will be supported by the advisory board, particularly by the two M&E specialists who will be contracted as part-time consultants. They will enable the coverage of PREVAL throughout the Latin America and Caribbean region. An annual programme of work and budget (APW/B) will be approved annually by a steering committee composed of the following: the regional director and the Country Portfolio Manager responsible for the programme; a representative of IFAD's Office of Evaluation and Studies; and the Programme Director of PREVAL.

15. **Key linkages.** Programme activities will be coordinated and cofinanced –whenever mutually beneficial, such as in the case of the production of integral training plans – with RUTA in Central America, the Foundation for Training and Applied Research in Agrarian Reform (CIARA) in South America, and PROCASUR in the Southern Cone. This focalized interaction will permit the consolidation of subregional M&E networks among IFAD projects and local development partners. The PREVAL will also strengthen its ongoing relationship with FIDAMERICA for the expansion of the specialized virtual library and other Internet-based initiatives.

16. **Programme sustainability.** From the outset of programme activities, explicit action will be taken to guarantee a sustainable level of key activities at the end of the investment phase. These will include the direct payment of selected training and TA services by client entities. In addition, the recipient and executing agency will be committed to institutionalize and maintain support for the operation of the regional M&E network. Moreover, operational agreements will be established between the executing agency and each IFAD project in the region. The PCU will prepare a viable strategy for programme sustainability by the first year of operation. This will include either the institutionalization of programme services or continuing training and TA services through, or by working in close collaboration with, other regional programmes supported by IFAD. These include: PROCASUR (training); TA (RUTA, CIARA); and electronic-related activities (FIDAMERICA).

17. **Implementation follow-up and monitoring and evaluation.** A tailor-made M&E system will be consolidated to monitor continuously programme implementation and results, and to offer feedback drawn from its experience and lessons learned. Programme reporting and accounting and auditing will be undertaken in a systematic manner and in accordance to IFAD requirements and established international standards. A mid-term review (MTR) of PREVAL-Phase II will be carried out by IFAD and other donors, 24 months after effective start-up. The Country Portfolio Manager responsible for PREVAL will supervise programme performance on a regular basis.

V. INDICATIVE PROGRAMME COSTS AND FINANCING

18. **Programme cost and financing.** The programme's total cost is estimated at about USD 1.97 million, of which IFAD will contribute USD 1.55 million (see table on next page). Programmes and projects involved in training, TA and dissemination activities will participate with about USD 0.3 million. The remaining USD 0.12 will be contributed by DESCO. Possibilities for cofinancing will be actively sought by DESCO among its current supporters.



PROGRAMME COST AND FINANCING PLAN

(USD '000)

Disbursement Categories	IFAD	DESCO	Clients/ Beneficiaries (IFAD Projects)	Total
1. Training courses in M&E	250.0		50.0	300.0
2. TA for M&E systems	200.0		150.0	350.0
3. Good practices/impact studies	150.0		50.0	200.0
4. Publications	100.0		50.0	150.0
5. International workshops	50.0	20.0		70.0
6. Incremental staff salaries	550.0	60.0		610.0
7. Operating costs	150.0	40.0		190.0
8. Unallocated (contingencies)	100.0			100.0
Total	1 550.0	120.0	300.0	1 970.0

VI. RECOMMENDATION

19. I recommend that the Executive Board approve the proposed technical assistance grant in terms of the following resolution:

RESOLVED: that the Fund, in order to finance, in part, the Programme for Strengthening the Regional Capacity for Monitoring and Evaluation of Rural Poverty-Alleviation Projects in Latin America and the Caribbean (PREVAL) – Phase II, for four years, shall make a grant not exceeding one million five hundred and fifty thousand United States dollars (USD 1.55 million) to the Centre for Studies and Development Promotion (DESCO) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.

Fawzi H. Al-Sultan
President

LOGICAL FRAMWORK

Logic Order	Indicators	Means of verification	Risks/Assumptions
<p>Development Objective (GOAL)</p> <p>IFAD projects in Latin America and the Caribbean show better impact and improved performance</p>	<ul style="list-style-type: none"> - Poverty reduction - Sustainability - High returns 	<ul style="list-style-type: none"> - Annual reports - Mid-term reports - Evaluations - Case studies 	<p>M&E is fully integrated in project management and decision-making</p>
<p>Specific Objectives (PURPOSE)</p> <p>IFAD projects in Latin America and the Caribbean (LAC) region have a strengthened capacity to generate information in a systematic and effective manner</p>	<ul style="list-style-type: none"> - Timely delivery of progress reports - At least three indicators are monitored on a regular basis 	<ul style="list-style-type: none"> - Deadline progress reports - Impact studies 	<p>Capacity of M&E project staff has improved</p>
Expected Outputs			
<p>1. M&E systems tailored to IFAD projects' specific needs have been developed, installed and are operated by trained project staff.</p>	<ul style="list-style-type: none"> - Seventy per cent of IFAD projects have installed M&E systems - Project staff has been exposed to X days of training - X days of TA provided per project - Standard set of M&E approved and used by projects 	<ul style="list-style-type: none"> - Database of projects that have installed M&E system - Register per project participants of training X - Register per project participants of TA X - Register days of X training/TA - Evaluation of training/TA by participants 	<p>Strong motivation of management to have their M&E staff trained</p> <p>M&E staff favors improved M&E system</p> <p>Training and TA responds to specific demand</p>
<p>2. Based on horizontal exchange of best practices in the M&E of rural development projects, high quality materials have been developed and are being used in IFAD projects.</p>	<ul style="list-style-type: none"> - X methodologies applied by projects - X experiences per project per year are documented - X experiences of other actors contributed - Interagency forum meeting with participation of United States Agency for International Development (USAID), the World Bank, the German Agency for Technical Cooperation (GTZ), etc. 	<ul style="list-style-type: none"> - Data base of high-quality materials developed and available - Register of uptake high quality materials - Progress reports - Interviews with M&E project staff 	<p>Active participation of various actors</p> <p>Willingness to share experiences</p>
<p>3. A sustainable supply of training and TA in M&E has been facilitated by the programme and respond to specific demands by IFAD funded projects in the LAC region.</p>	<ul style="list-style-type: none"> - Training courses are fully booked - Training demands of projects - TA is provided on timely basis and satisfactory to project needs - Network is consulted by IFAD projects 	<ul style="list-style-type: none"> - Register demands for training and TA - Register number of demands facilitated by programme - Register inter-institutional arrangements - Register consultation web-side PREVAL 	<p>Continuous development of institutional infrastructure</p> <p>Provision of training and TA is demand-driven</p>



Activities			
<p>1.1 Formulate, validate and promote the use of a set of standards for M&E system design and implementation at the field level.</p> <p>1.2 Develop an integrated M&E toolkit to assist projects in the process of addressing their ongoing M&E training needs.</p> <p>1.3 Test and adapt toolkit to specific needs of IFAD projects in the LAC region.</p> <p>2.1 Produce and/or compile reference materials on (participatory) methodologies for progress and impact assessment.</p> <p>2.2 Document and disseminate sound experiences among projects.</p> <p>2.3 Promote and facilitate internships and virtual exchange of good practices, involving IFAD projects and other multi and bilateral agencies and (inter) national organizations</p> <p>2.4 Promote the creation of an interagency forum on M&E and institutional learning.</p> <p>3.1 Continue to develop integrated training plans (including training modules, applied exercises and advisory workshops in the field) on M&E in collaboration with other regional programmes, such as RUTA, CIARA and PROCASUR.</p> <p>3.2 Provide training on M&E to IFAD project staff.</p> <p>3.3 Facilitate access (formulate terms of reference, identify and contract consultants, supervise performance and products) to high-quality TA services for the design, implementation and use of M&E systems.</p> <p>3.4 Disseminate relevant information on methodologies, sound practices and training opportunities on M&E. This includes the elaboration of a quarterly bulletin, distribution of publications compiled or produced by the programme, and the updating and feeding of PREVAL's website.</p> <p>3.5 Reinforce the regional network,: establish inter-institutional arrangements for training and for producing and disseminating information; conduct the regional electronic network, run electronic workshops and seminars.</p>			