AN ASSESSEMENT OF MONITORING AND EVALUATION PRACTICE OF UNITED STATES AGENCY FOR DEVLOPMENT LOAN GUARANTEED AGRIBUSINESS PROJECTS: A CASE STUDY OF COFFEE PROCESSING AND EXPORTING BUSINESS PROJECT

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Declaration

I, the undersigned, hereby declare that the work contained in this thesis is my own original work and that I have not previously in its entirety or in part submitted at any university for a degree.

Signature: _____ Date: _____

LETTER OF CERTIFICATION

This research paper has been submitted for examination as with my approval as the University Supervisor.

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This is to Certify that the thesis prepared by Rufael Tadesse, entitled: *An Assessment of Monitoring and Evaluation Practice Of United States Agency for Development loan guaranteed agribusiness projects: A Case Study of Coffee Processing and Exporting Business Project* submitted in partial fulfillment of the requirements for the Degree of Master of Arts in Project Management complies with the regulations of the University and meets the accepted standards with respect to originality and quality.

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ABSTRACT

Monitoring and Evaluation (M&E) are important management tools to track your progress and facilitate decision making. It is a system that is designed to address the "so what" question if it was result-based. Monitoring and evaluation allow organizations like USAID to answer questions like: What development interventions make a difference? Is the project having the intended results? What can be done differently to better meet goals and objectives? Based on census survey data obtained from twenty nine project personnel in the program, descriptive analysis was used to identify elements below a mean of three. This research paper highlights the planning, implementation & best practices of a project M&E and key challenges that are faced by project managers in order to enhance the chances of project success. Based the interpretation of the findings the current M&E system is constrained by SMART indicators, consistent stakeholder's involvement, human capacity building plan, advocacy, communications & culture for M&E, emphasis on efficiency & cost-effectiveness, clarity & completeness of performance indicators, monitoring of 'other influencers'/exogenous indicators and clearly defined objectives & appropriate indicators. All this combinations will not result in sustaining the longevity of interventions. And to ensure that, result based monitoring and evaluation should be employed. In doing so, it will improve the performance of organizations in seeking greater efficiency and effective use of resources.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Organization

United States Agency for International Development USAID is the world's premier international development agency and a catalytic actor driving development results. Since its inception in 1961, USAID has provided assistance to Ethiopia. The U.S.-Ethiopian relationship was first established in 1903 and remained in good standing until the Italian occupation in 1935 (USAID, 2019).

Ethiopia is important to the success of U.S. initiatives in the greater Horn of Africa because of its size, location and potential. Ethiopia has been a key player in trying to improve the ability of the countries in the region to prevent conflicts and improve overall food security and hence, avoid crises of drought and war, which have plagued the Horn (USAID, 2019).

With a population of over 100 million people, Ethiopia is one of the fastest-growing population and economies in Africa. Ethiopia's economy is dependent on agriculture. Agriculture-led economic growth, accompanied by improvements in people's livelihoods and nutrition, can provide a long-lasting solution to Ethiopia's chronic poverty and food insecurity and build their resilience to recurring shocks.

Despite the recent strong economic growth, one of Ethiopia's greatest challenges continues to be food security. Over 25 million people go hungry every year. For the past few years, Ethiopia has been among the top recipients of United States Government (USG) food aid in the world. During this period, it received over $1.4 billion worth of food aid to respond to the needs of Ethiopia's chronic food insecure case-load, as well as for transitory emergency assistance. Promoting food security, increasing agricultural productivity, and reducing the crippling impacts of famine, especially on women and young children remain critical imperatives in Ethiopia's development agenda.

1.2 Background of the Project

The United States Agency for International Development (USAID) is the U.S. government agency that provides foreign assistance to support shared development objectives.

USAID Ethiopia has been implementing the DCA (Development Credit Authority), or commonly known as the "partial loan guarantee" program since 1999. The first such program, called the "Micro and small enterprises development" (MSED) program, was aimed at supporting agricultural development efforts through a portfolio loan portfolio guarantee program established with the Bank of Abyssinia. This guarantee provided a 50% risk sharing arrangement for short term loans provided for seasonal crop production loans made by the Bureau of Agriculture to farmer cooperatives unions established in four regions. This program represented a breakthrough initiative that allowed a private bank to make loans to small holder agricultural producers. Many other banks soon followed and presently four Ethiopian private and commercial banks are actively involved in the DCA program, which has also expanded to include lending to women entrepreneurs, cooperative unions as well as other focus beneficiaries. In total, USAID Ethiopia has leveraged close to $55 million of lending using the DCA program. The number of beneficiaries under the facilities is constantly growing, with close to 320 projects supported to date and with the number of new applications steadily increasing.

The DCA partial credit guarantee is designed to: Reduce risks to generate additional lending to underserved markets and sectors demonstrate the long-term commercial viability of lending in developing markets.

Recognizing this challenge, USAID/Ethiopia, working together with the Government of Ethiopia, the World Bank and other development partners, is launching several new agricultural programs with the intention of not only feeding all Ethiopians but also growing and strengthening the Ethiopian economy.

In emerging markets, small businesses cannot access the loans they need to grow. USAID's Development Credit Authority (DCA) uses risk-sharing agreements to mobilize local private capital to fill this financing gap.

USAID shares the risk of borrower default with partner banks. DCA offers different types of products, the most popular being the loan portfolio guarantee (LPG), whereby some percentage, usually 50 percent, of a maximum principal value of loans to targeted borrowers on the balance sheet of a private commercial bank partner is covered from default on a pari passu basis or equal footing. While an LPG is a product for a partner bank, a portable guarantee (PG) is a product for borrowers, providing coverage against default, which, upon USAID's consent, can be utilized at most any private commercial bank. Once a lender is identified by the borrower, PGs convert to loan guarantees (LGs) and, in the event of default by the borrower, USAID would guarantee a portion of the outstanding principal balance.

The objective of this DCA activity is to increase access to finance in the SME sector, mainly engaged in agro-processing industries, trade, service, textiles, food processing, hotel and tourism, and other similar SME activities. It is known that many practices by these entities in Ethiopia are not always environmentally sound and that "business as usual" in the sector results in a number of adverse impacts.

All things being equal, enhanced access to capital by these actors is likely to increase the scale of existing environmental problems and problematic practices along the value chains. Ethiopia's current regulatory capacity/land management regime is not sufficient to control these issues.

USAID thus has a dual responsibility: (1) to ensure that financial intermediaries receiving DCA credit guarantees have functional environmental due diligence processes in place for their DCA-supported loans that (a) enforce requirements of the "standard language," and beyond this, (b) compliance with host country requirements; and (2) to provide complementary technical assistance (TA) to entities receiving DCA backed loans to support compliance and good practice.

Women entrepreneurs working at small and medium size enterprises (SMEs) have high impediments to their growth due to lack of access to finance and loan services from the local commercial banks. In order to address these challenges, and enable them grow to a

higher level, USAID/Ethiopia has initiated the new DCA LPG (Loan Portfolio Guarantee) with Ethiopian Enat bank with about 60 percent of shares owned by women entrepreneurs. This DCA scheme aims to increase access to financial services by women owned-SMEs from their existing utilization of 24.3% to 77% coverage, and to increase their market share proportionally by developing their competitive advantage in using the financial service to women and their value chain actors.

USAID uses an online reporting system to track loan data. In addition, the DCA works with local USAID missions and technical assistance providers to conduct regular outreach, process claims, review loan files, visit borrowers, amend guarantees and take other necessary actions throughout the course of a partnership. A monitoring plan is designed for each guarantee to outline key roles and responsibilities. USAID uses an external evaluation process when applicable and is currently developing an impact framework. In 2012, the DCA rewrote its evaluation methodology to include indicators that track impacts on borrowers, including indicators on gender and first-time borrowers. USAID evaluates the DCA's impacts at three levels – additionality (indicators for guaranteed loans in comparison to a financial institution's portfolio), behavioral change (specifically a financial institution's behavior toward borrowers without guarantees) and market demonstration (the extent to which other institutions have been spurred to increase lending). Open datasets are available on the DCA's website.

The indicators for evaluating loan guaranteed projects performance would be measureable in three different ways as follows:

1. Outputs:
    - The volume of loan given to Agricultural equipment suppliers and equipment leasing companies.
    - Number of targeted small holder framers and Agro processing Industries benefited from the program
2. Outcomes:
    - The strengthening capacity of leasing Companies, and equipment suppliers in providing equipment leasing services to small farmers and Agro industries. In terms of capital size; Number of equipment's and machineries supplied; area

of coverage, and etc.…

- Increased size of productivity of small holder farmers benefited from the project activities

3. Impacts:
    - The attitudinal changes of partner banks toward the experience of providing loan to their customers without USAID loan guarantee scheme after the end of project period.
    - The replication of Agricultural equipment leasing loan guarantee in other new banks, which have learnt a lesson from this guarantee scheme and showed interest to be involved in the next round guarantee scheme development process.

USAID's number one way of combating global hunger and malnutrition through Feed the Future initiative by taking a holistic approach and ensuring long-lasting impact is improving agriculture to boost incomes.

Feed the Future Ethiopia Value Chain Activity (EVCA) aims to improve agricultural productivity and commercialization of smallholder farmers and is supported by the USAID/Development Credit Authority (DCA) loan guarantee facility, which enables agribusinesses to get access to finance. EVCA supports a range of agribusinesses to access loan through the USAID/ DCA loan portfolio guarantee scheme.

1.3 Background of the Study

According to Bamberger and Hewitt (1986) monitoring and evaluation systems can be effective way to: provide constant feedback on the extent to which the projects are achieving their goals; identify potential problems at an early stage and propose possible solutions; monitor the accessibility of the project to all sectors of the target population; monitor the efficiency with which the different components of the project are being implemented and suggest improvements; evaluate the extent to which the project is able to achieve its general objectives; provide guidelines for the planning of the future

projects; influence sector assistance strategy. Relevant analysis from project and policy evaluation can highlight the outcomes of previous interventions, as well as the strengths and weakness of their implementation; improve project design. Use of project design tools such as the log frame (logical framework) results in systematic selection of indicators for monitoring project performance. The process of selecting indicators for monitoring is a test of the soundness of the project objectives and can lead to improvements in project design. Incorporate views of stakeholders. Awareness is growing that participation but project beneficiaries by project beneficiaries in design and implementation brings greater "ownership" of project objectives and encourages the sustainability of project benefits. Ownership brings accountability. Objectives should be set and indicators selected in consultation with stakeholders, so that objectives and targets are jointly "owned". The emergence of recorded benefits early on helps reinforce ownership, and early warning of emerging problems allows action to be taken before costs rise. Show need for mid-course corrections. A reliable flow of information during implementation enables mangers to keep track progress and adjust operations to take account of experience.

USAID invests in monitoring and evaluation for two key reasons: The first is Accountability, or the ability to ensure that a particular investment is achieving intended results. The second purpose of ME is Learning, the means of understanding how and why (or why not) these results are being achieved (USAID Office of Microenterprise Development- Monitoring & Evaluating a Value Chain Project, 2019).

1.4 Statement of the Problem

A robust monitoring and evaluation (ME) system allows for accurate and timely examination of data for evidence-based decision making, allowing flexibility to adapt to the interventions to meet on-the-ground realties (FINTRAC, 2019).

According to Nina Frankel et al (2007) as a general guide, 5-10% of a project budget should be allocated for M&E. And monitoring and evaluation helps program implementers make informed decisions regarding program operations and service

delivery based on objective evidence; ensure the most effective and efficient use of resources; objectively assess the extent to which the program is having or has had the desired impact, in what areas it is effective, and where corrections need to be considered; and meet organizational reporting and other requirements, and convince donors that their investments have been worthwhile or that alternative approaches should be considered.

Monitoring and evaluation (M&E) of development activities provides government officials, development managers, and civil society with better means for learning from past experience, improving service delivery, planning and allocating resources, and demonstrating results as part of accountability to key stakeholders (The World Bank, 2004).

Monitoring and evaluation are important management tools to track your progress and facilitate decision making. While some funders require some type of evaluative process, the greatest beneficiaries of an evaluation can be the community of people with whom your organization works. By closely examining your work, your organization can design programs and activities that are effective, efficient, and yield powerful results for the community (The World Bank, 2007).

According to Silva Sedrakian (2016), Monitoring and evaluation (M&E) related activities need to be planned and properly budgeted at the early stages of program implementation planning. In fact, monitoring and evaluation activities are integral part of aprogram or an intervention/project and the related expenses should also be included in the program's overall budget. This will allow project managers and others to secure funds for the M&E activities as part of the project overall cost. M&E budget constitute 3% to 10% of the overall project/program's budget.

The two distinct reasons why Monitoring and Evaluation is to ask ourselves if we are doing what we planned, i.e. making the impact we intended, and two, for project management and accountability (UK Space Agnecy, 2016).

USAID's Feed the Future investments are significantly improving the resiliency of communities and households in Ethiopia. However, these impacts are not substantiated as USAID continues to face challenges including limited capacity and low commitment of

GOE to an open strategy dialogue and lack of capacity of government institutions to engage in public-private partnerships.

Seeing that the project faced a challenge of the ability to ensure that a particular investment is achieving intended results and the means of understanding how and why (or why not) these results are being achieved i.e. accountability and learning respectively, the researcher assessed the monitoring and evaluation practice of USAID's loan guaranteed agribusiness projects in achieving its overall objectives.

1.5 Objective of the study

1.5.1 General Objective

The general objective of this research is to assess the monitoring and evaluation practice of USAID's loan guaranteed agribusiness projects in achieving its overall objectives.

1.5.2 Specific Objectives

The study attempts to:

1. Examine the policy procedures & structure of monitoring and evaluation practice that are in place in USAID's loan guaranteed agribusiness projects in Addis Ababa
2. Identify the major challenges USAID faces in monitoring and evaluation for its loan guaranteed agribusiness projects
3. Identify and suggest coping mechanisms for challenges set forth in monitoring and evaluation

1.6 Scope of the Study

This study is delimited to major USAID loan guaranteed agribusiness projects in Addis Ababa. From the FTF initiative value chain project which includes Chickpeas, Coffee, Dairy, Honey, Livestock, Maize/Corn, Poultry, Sweet Potato and Wheat; the researcher has chosen Coffee as the main area of study. According to IFC (2018), Ethiopia's main

agricultural crop accounts for over a quarter of all export earnings and provides income for about 15 million people, most of them small holder farmers. The coffee industry in Ethiopia supports small and medium-sized enterprises as well as larger exporting, trading and shipping businesses (IFC, 2018).

The researcher has also limited his scope based on time and data analysis constraints to the basic elements of M&E in assessing USAID practices of loan guaranteed agri-business projects. Hence, main focus is given to the weakness and potential improvements.

USAID Ethiopia Mission has Agriculture and Food Security as one of their top priorities for economic growth as the economy is dependent on agriculture, which accounts for more than 40 percent of GDP and 90 percent of exports; the country's rapidly growing population underscores the need for sustainable and high-quality access to food. Under the Feed the Future initiative, USAID enhances food security, increase agricultural productivity, and promote resilience-especially among vulnerable populations.

USAID/ Development Credit Authority (DCA) aims to support its Feed the Future (FTF) strategy by providing a loan guarantee facility to participating banks. From the six agribusinesses that seeked access to finance through the DCA partial guarantee, this study is delimited to Azalech coffee processing and exporting business project. Hence, it served dual purpose to support female entrepreneurs and improve agricultural productivity and commercialization of small and medium enterprises-i.e. the basic aim of FTF.

1.7 Significance of the Study

This assessment is relevant to USAID/DCA project team, Fintrac FTF coordinators, current and future loan guaranteed borrowers. By reviewing milestones and final outcomes of the project, accountability issue is addressed, upon which further learning, adapting and collaborations could be established. As such, to develop a strong M&E plan is of vital importance.

1.8 Limitations of the Study

The study was limited to basic elements of monitoring and evaluation due to time constraints. The technical experts interviewed were professionals and since their time is valuable there was a quick assessment when semi-structured interview was conducted.

This research cannot be used to generalize to other projects as different practice assessments might yield different results.

CHAPTER TWO

LITERATURE REVIEW

2.1 Project

A project is a temporary endeavor undertaken to create a unique product, service, or result. The temporary nature of projects indicates that a project has a definite beginning and end. The end is reached when the project's objectives have been achieved or when the project is terminated because its objectives will not or cannot be met, or when the need for the project no longer exists. A project may also be terminated if the client (customer, sponsor, or champion) wishes to terminate the project. Temporary does not necessarily mean the duration of the project is short. It refers to the project's engagement and its longevity. Temporary does not typically apply to the product, service, or result created by the project; most projects are undertaken to create a lasting outcome. For example, a project to build a national monument will create a result expected to last for centuries. Projects can also have social, economic, and environmental impacts that far outlive the projects themselves (PMI, 2013).

2.2 Project Management

According to PMI (2013), project management is the application of knowledge, skills, tools, and techniques to project activities to meet the project requirements. Project management is accomplished through the appropriate application and integration of the 47 logically grouped project management processes, which are categorized into five Process Groups: Initiating, Planning, Executing, Monitoring and Controlling, and Closing.

2.3 Results-based management (RBM)

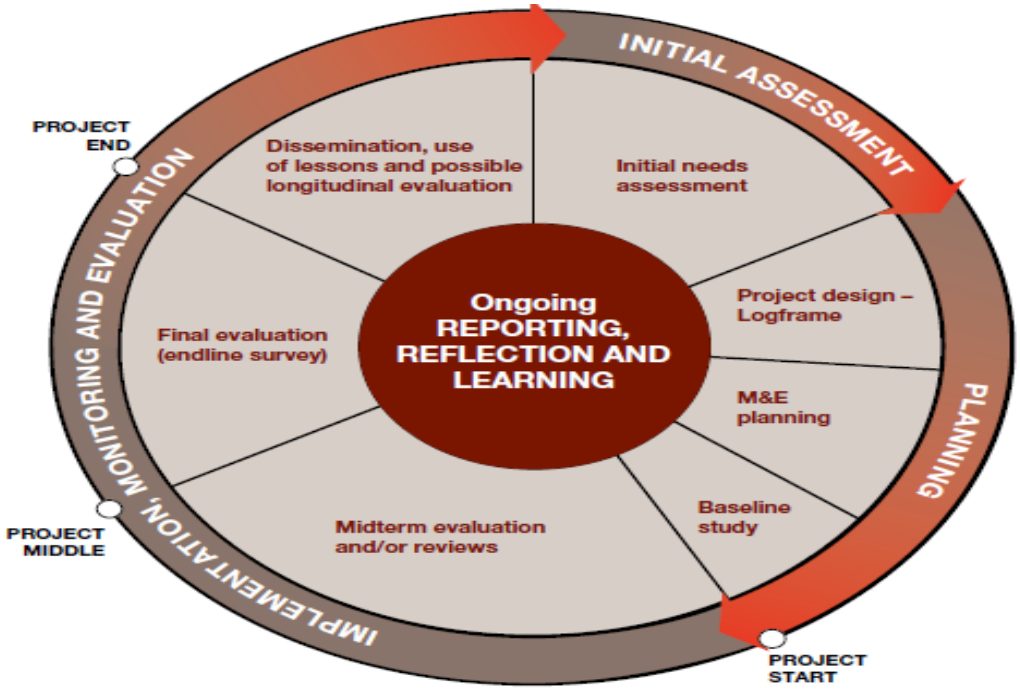
According to IFRC (2011), RBM is an approach to project/programme management based on clearly defined results, and the methodologies and tools to measure and achieve them. RBM supports better performance and greater accountability by applying a clear,

logical framework to plan, manage and measure an intervention with a focus on the results you want to achieve. By identifying in advance the intended results of a project/programme and how we can measure their progress, we can better manage a project/programme and determine whether a difference has genuinely been made for the people concerned.

Monitoring and evaluation (M&E) is a critical part of RBM. It forms the basis for clear and accurate reporting on the results achieved by an intervention (project or programme). In this way, information reporting is no longer a headache, but becomes an opportunity for critical analysis and organizational learning, informing decision-making and impact assessment (IFRC, 2011).

An over view of the usual stages and key activities in project/programme planning, monitoring, evaluation and reporting (PMER) is on the below diagram.

Fig 2.1 Key M&E activities in the project/programme cycle



Source: IFRC (2011)

2.4 Monitoring

According to Gudda (2011), Monitoring is the art of collecting the necessary information with minimum efforts in order to make steering decisions at the right time. This information also constitutes an important and necessary data base for analysis, discussion, (self-) evaluation and reporting.

Monitoring is the routine collection and analysis of information to track progress against set plans and check compliance to established standards. It helps identify trends and patterns, adapt strategies and inform decisions for project/programme management (IFRC, 2011).

Monitoring can be defined as the ongoing process by which stakeholders obtain regular feedback on the progress being made towards achieving their goals and objectives (UNDP, 2009).

According to Balzer, Dimalanta, and Kunz (2004) monitoring requires logical and consistent planning which documents a consensus on the intended intervention strategy and development hypothesis.

2.5 Performance Indicators

According to The World Bank (2004), Performance indicators are measures of inputs, processes, outputs, outcomes, and impacts for development projects, programs, or strategies. When supported with sound data collection—perhaps involving formal surveys—analysis and reporting, indicators enable managers to track progress, demonstrate results, and take corrective action to improve service delivery. Participation of key stakeholders in defining indicators is important because they are then more likely to understand and use indicators for management decision-making.

We can use performance indicators for setting performance targets and assessing progress toward achieving them; identifying problems via an early warning system to allow

corrective action to be taken; indicating whether an in-depth evaluation or review is needed.

There are advantages and disadvantages of using performance indicators. The advantages are effective means to measure progress toward objectives and facilitate benchmarking comparisons between different organizational units, districts, and over time. The disadvantages are poorly defined indicators are not good measures of success; tendency to define too many indicators, or those without accessible data sources, making system costly, impractical, and likely to be underutilized; often a trade-off between picking the optimal or desired indicators and having to accept the indicators which can be measured using existing data.

From cost perspective it can range from low to high, depending on number of indicators collected, the frequency and quality of information sought, and the comprehensiveness of the system. The skills require several days of training are recommended to develop skills for defining practical indicators. Data collection, analysis and reporting skills and management information system (MIS) skills are required to implement performance monitoring systems. And the time requires several days to several months, depending on extent of participatory process used to define indicators and program complexity. Implementing performance monitoring systems may take 6–12 months.

2.6 Evaluation

Evaluation is a periodic, in depth analysis of programme performance. Evaluation is undertaken selectively to answer specific questions to guide decision makers and/or programme managers, and to provide information on whether underlying theories and assumptions used in programme development were valid, what worked and what did not work and why. It relies on data generated through monitoring activities as well as information obtained from other sources (e.g., studies, research, in-depth interviews, focus groups discussion, surveys etc.) (Gudda, 2011).

Evaluation is an assessment, as systematic and objective as possible, of an ongoing or completed project, programme or policy, its design, implementation and results. The aim is to determine the relevance and fulfillment of objectives, developmental efficiency, effectiveness, impact and sustainability. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process of both recipients and donors (IFRC, 2011).

Evaluation is a rigorous and independent assessment of either completed or ongoing activities to determine the extent to which they are achieving stated objectives and contributing to decision making (UNDP, 2009).

2.7 Monitoring and Evaluation (M&E)

According to UK Space Agency: International Partnerships Programme (2016), the greatest impact on people's lives in developing and emerging countries will come not from a short term intervention, but from a sustained and long term intervention. To ensure a sustained and long term intervention you need to provide inputs (e.g. resources, equipment), to carry out activities (e.g. software development, equipment installations, field visits), which will lead to outputs (e.g. working equipment/applications, people using special content, tracking), which will lead to outcomes (e.g. flood warnings, illegal logging detection, midwives improving the care offered, behaviors changed), which in turn cause an impact on the ground (e.g. 'x' lives saved, infant mortality reduced, 'y' disasters averted, 'z' hectares of forest not destroyed).

Inputs -> Activities - > Outputs - > Outcomes - > Impact

This sequence will need an underpinning rationale in order to help justify its continuation in a sustainable manner. This often will be because there is a commercial value proposition where someone is prepared to pay for the service (not necessarily the 'end user') that helps improve lives. Building a business case in these environments is particularly challenging given the economic climate where the end user is poor, but that is the risk versus reward equation that needs to be considered at the beginning of the programme (UK Space Agency: International Partnerships Programme, 2016).

In order to properly evaluate the commercial sustainability of the program, it is therefore essential to have a monitoring and evaluation process in place.

M&E can help you assess what difference you are making and can provide vital intelligence, for example to help you: assess and demonstrate your effectiveness in achieving your objectives and/or impacts on people's lives; improve internal learning and decision making about project design, how the group operates, and implementation i.e. about success factors, barriers, which approaches work/don't work etc.; empower and motivate volunteers and supporters; ensure accountability to key stakeholders (e.g. your community, your members/supporters, the wider movement, funders, supporters); influence government policy; share learning with other communities and the wider movement; contribute to the evidence base about effectiveness and limits of community action (University of Oxford. 2014).

Monitoring and evaluation (M&E) involves routinely collecting and using data to track progress or change over time, allowing stakeholders to assess the effectiveness of a policy or program and track the efficient use of resources (Frankel, 2007).

According to Gudda, 2011, the main objective of programme evaluation is:

1. To inform decisions on operations, policy, or strategy related to ongoing or future programme interventions.
2. To demonstrate accountability to decision makers (donors and programme countries)
3. To facilitate improved decision making and accountability this will in turn lead to better results and more efficient use of resources

Characteristics of Quality Evaluations are impartiality, usefulness, technical adequacy, stakeholder involvement, feedback and dissemination and value for money

Monitoring and Evaluation or M&E has been used by nongovernmental organizations (NGOs) for evaluating programmes for decades. For the European Union, the United Nations, the World Bank and other development banks, M&E is embedded in their

organizational processes. Many have even published M&E programme toolkits to promote understanding and adoption Gumz, J. & Parth, F. R. (2007).

According to Gudda (2011) good monitoring and evaluation design during project preparation is a much broader exercise than just the development of indicators. Good design has five components:

1. Clear statements of measurable objectives for the project and its components, for which indicators can be defined.
2. A structured set of indicators, covering outputs of goods and services generated by the project and their impact on beneficiaries. I.e. clear, relevant, economic, adequate and monitorable. The indicators would focus on relevance, efficiency, effectiveness, impact and sustainability.
3. Provisions for collecting data and managing project records so that the data required for indicators are compatible with existing statistics, and are available at reasonable cost.
4. Institutional arrangements for gathering, analyzing, and reporting project data, and for investing in capacity building, to sustain the Monitoring and evaluation service.
5. Proposal for the ways in which Monitoring and evaluation findings will be fed back into decision making.

According to Gudda (2011), the purpose of PM&E is fourfold:

1. To build capacity of project stakeholders to reflect, analyze, propose solutions and take actions;
2. To learn, adjust and take action by taking corrective actions to ensure the achievement of results such as adding or deleting activities or changing one's strategies;
3. To provide accountability at all levels from the community, organizational level to those responsible for the implementation and funding of the project
4. To celebrate and build on what is working

2.8 Frameworks for Evaluation

Project M&E involves creating a framework that suits the context of the project and the needs of the key stakeholders, and the aim of this study is to know if the projects ability to ensure that a particular investment is achieving intended results and understanding how and why (or why not) these results are being achieved. The researcher tried to review relevant academic litretures that are specifically related to the study areas. It included UNDP, UNAIDS, World Bank and UK Space Agency: International Partnerships Programme. To reinforce the notion of M&E practice, draw the research conceptual framework and identify critical success factors of M&E practices; the researcher sited the below elements under M&E plan, system assessment, result based M&E, M&E required stages, evaluation criteria's and major challenges. As such giving a common understanding on the current practice and challenges of M&E

According to UNDP (2009) the element of M&E plan are below:

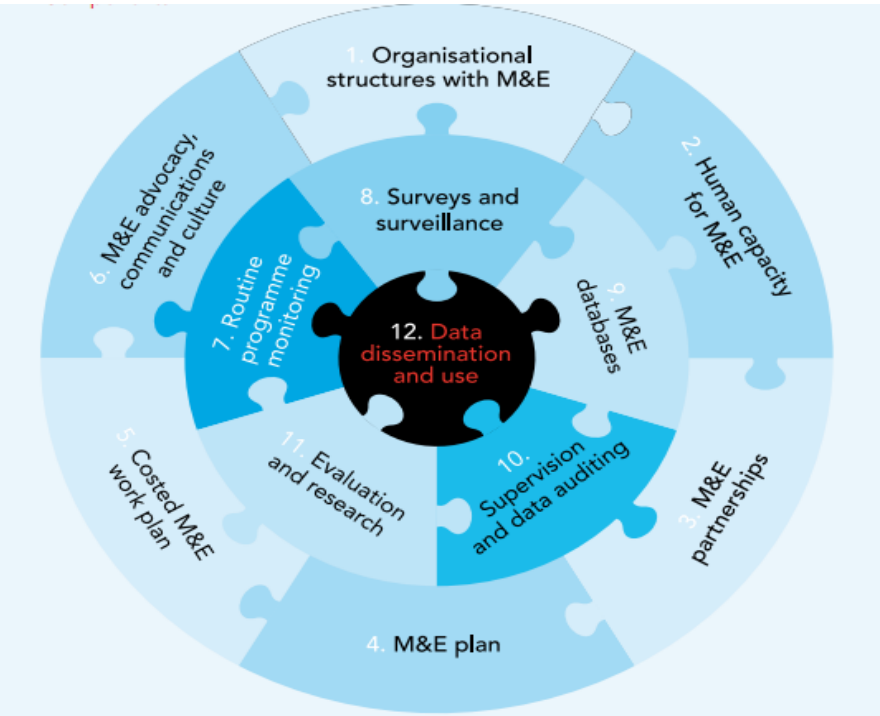
Element	Description
Expected results (outcomes and outputs)	Obtained from program design documents and results chain.
Indicators (with baselines and indicative targets)	Derived from results chain; indicators should be SMART.
Data source	Source and location from which data are to be obtained, e.g., a survey, a review, a stakeholder meeting.
Data frequency	Frequency of data availability.
Responsibilities	Who is responsible for organizing the data collection and verifying data quality and source?
Analysis and reporting	Frequency of analysis, analysis method, and responsibility for reporting.
Resources	Estimate of resources required and committed for carrying out planned M&E activities.
End use	Who will receive and review the information? What purpose does it serve?
Risks	What are the risks and assumptions in carrying out the planned M&E activities? How might they affect the planned M&E events and the quality of the data?

According to UNAIDS (2009) there are 12 components for Monitoring & Evaluation System Assessment:

1. Organizational Structures with M&E Functions

2. Human Capacity for M&E
3. Partnerships to plan, coordinate and manage the M&E system
4. M&E plan
5. Costed M&E Work Plan
6. Communication, Advocacy and Culture for M&E
7. Routine Programme Monitoring
8. Surveys and Surveillance
9. M&E databases
10. Supportive Supervision and Data Auditing
11. Evaluation and Research Agenda
12. Data Dissemination and Use

Fig. 2.2 M&E system 12 components



Source: UNAIDS, (2009)

There are no standard recipes for undertaking participatory monitoring and evaluation. PM&E involves creating a framework that suits the context of the project and the needs of the key stakeholders (Gudda, 2011).

According to UNDP (2009), while monitoring provides real-time information required by management, evaluation provides more in-depth assessment. The monitoring process can generate questions to be answered by evaluation. Also, evaluation draws heavily on data generated through monitoring during the programme and project cycle, including, for example, baseline data, information on the programme or project implementation process and measurements of results.

Planning, monitoring and evaluation come together as Result Based Management (RBM). RBM is defined as "a broad management strategy aimed at achieving improved performance and demonstrable results,"7 and has been adopted by many multilateral development organizations, bilateral development agencies and public administrations throughout the world.

Each monitoring and evaluation activity has a purpose. When done and used correctly, they strengthen the basis for managing for results, foster learning and knowledge generation(through knowledge products and dissemination) in the organization as well as the broader development and evaluation community, and support the public accountability.

Monitoring and evaluation (M&E) of development activities provides government officials, development managers, and civil society with better means for learning from past experience, improving service delivery, planning and allocating resources, and demonstrating results as part of accountability to key stakeholders (The World Bank, 2004).

Monitoring and evaluation provide information and facts that, when accepted and internalized, become knowledge that promotes learning. Monitoring and evaluation can

only play a significant role in the accountability process if measures to enhance learning are put in place. One of the most direct ways of using knowledge gained from monitoring and evaluation is to inform ongoing and future planning and programming (UNDP, 2009).

The purpose of this M&E Overview is to strengthen awareness and interest in M&E, and to clarify what it entails (The World Bank, 2004).

Results management also means focusing on achieving development effectiveness. Meaningful and sustainable development results require more than just a generic plan of outcomes, outputs and activities. How we do development is often equally if not more important than what we do in development work. For this reason, many development agencies attempt to incorporate various themes into their planning, monitoring and evaluation processes to improve the overall effectiveness of their efforts (UNDP, 2009).

2.9 Results-based M&E

According to The World Bank (2004), Results-based M&E systems are designed to address the "so what" question. So what about the fact that outputs have been generated? So what that activities have taken place? So what that the outputs from these activities have been counted? A results-based system provides feedback on the actual outcomes and goals of government actions. Results-based systems help answer the following questions: What are the goals of the organization? Are they being achieved? How can achievement be proven?

There are ten steps in Designing, Building, and Sustaining a Results-Based Monitoring and Evaluation System, according to The World Bank (2004). It provides extensive details on how to build, maintain—and perhaps most importantly—sustain a results-based M&E system. It also differs from other approaches in that it contains a unique readiness assessment. Here below are the steps:

Step1: Foundation of a readiness assessment

Step 2: Choosing outcomes to monitor and evaluate. The need for key internal and external stakeholders to be consulted and engaged in setting outcomes, indicators, targets, and so forth.

Step 3: Setting key performance indicators to monitor progress with respect to inputs, activities, outputs, outcomes, and impacts.

Step 4: Establishing performance baselines—qualitative or quantitative—that can be used at the beginning of the monitoring period.

Step5: Selection of results targets, that is, interim steps on the way to a longer-term outcome.

Step 6: Implementation and results monitoring. Monitoring for results entails collecting quality performance data, for which guidelines are given.

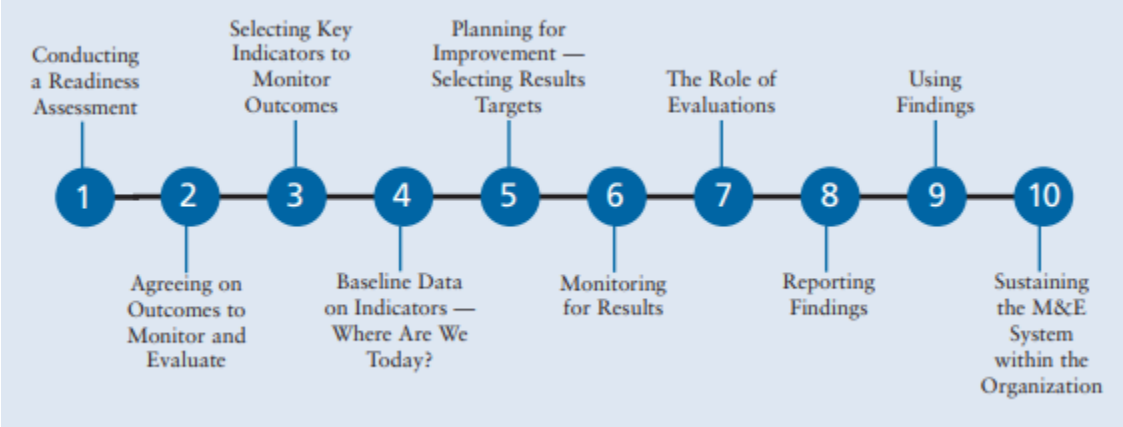
Step 7: Evaluation use, types and timing.

Step 8: Analyzing and reporting data to help decision makers make the necessary improvements in projects, policies, and programs.

Step 9: Using findings. It is important in generating and sharing knowledge and learning within governments and organizations.

Step 10: Sustaining results-based M&E systems including demand, clear roles and responsibilities, trustworthy and credible information, accountability, capacity, and appropriate incentives.

Fig 2.3 Ten Steps to Designing, Building, and Sustaining a Results-Based Monitoring and Evaluation System



Source: The World Bank (2004)

According to UK Space Agency: International Partnerships Programme (2016), M&E is a requirement that consists of three stages that show what the project does and what measurable impacts it will have:

1. Defining intended impacts
2. Checking progress against objectives
3. Evaluating (ongoing and final) results

2.9.1 Defining Intended Impacts

Creating an M&E plan is the first phase of the process and is where you lay out your objectives (outcomes and impacts), how you will measure success, who has responsibility for elements of the process, and when you will monitor (and evaluate) the different pieces.

The basic elements you need to define are Theory of Change; Objectives (outcomes and impacts); Measures of success (targets) for each output, outcome and impact (documented in a Logical Framework). Based on your Theory of Change they should be qualitative and quantitative, and there will possibly be several for a single outcome or

impact and targets should be SMART (specific, measurable, attainable, relevant and time bound). Plans for how and when you monitor and evaluate the project (documented in an M&E Plan).

2.9.1.1 Theory of Change

A Theory of Change, typically presented in diagrammatic flow chart form is a comprehensive description and illustration of how and why a desired change is expected to happen in a particular context. It is a tool to help you explain how and why you expect your project activities and outputs to result in the ultimate changes you seek. It provides the logical explanation and flow between project input to outputs, outcomes and finally social, economic and/or environmental impacts, as illustrated in the example below (UK Space Agency: International Partnerships Programme, 2016).

2.9.1.2 Logical Framework

A Logical Framework (Log frame), is one of the most common planning, monitoring and evaluation tools used to describe the anticipated chain of cause and effect in development interventions. They are based on a simple grid and describe your Theory of Change in a more measurable (and reportable) format (The World Bank, 2013).

2.9.1.3 M&E Plans

M&E plans are the final piece of M&E documentation, which pull together the Theory of Change, Log frame, budget, resources, evaluations and other project planning information into a cohesive document explaining the project's overall approach to M&E. In IPP, these will be developed with successful grantees after contracts have been signed, with support from the UKSA M&E provider (UK Space Agency: International Partnerships Programme, 2016).

2.9.2 Checking Progress (Monitoring)

Ongoing monitoring helps to track progress against your plans both during the project and after the delivery/implementation has finished. Monitoring is the routine collection and analysis of information based on your M&E plan and is focused on monitoring inputs, activities, outputs and (short term) outcomes. In your M&E plan, you will have defined how you will monitor against these indicators, who will do so and at what frequency; thus monitoring is the implementation of that plan (UK Space Agency: International Partnerships Programme, 2016).

2.9.3 Evaluating Results

According to UK Space Agency: International Partnerships Programme (2016), evaluations are the systematic, objective assessment of your intervention's design, implementation and results (impacts). Evaluations should provide accountability and track/record learnings; focus on outcomes and overall impact (don't be fooled into thinking it is all about the inputs and activities); be measured against a baseline assessment, to show the impact (change) that your intervention has had; be implemented at the end of all projects, and for projects of 12 months or more, should also have a mid-line evaluation. Note: that is can also be useful to carry out evaluations of some targets at a set time after a project closes, once impacts start to materialize. Be able to make some claims about what degrees of results are attributable to the project, through the use of a counterfactual study. (i.e. what would have happened anyway if the project wasn't implemented?). Include an assessment of: Process: how was the project implemented? Impact: what changed as a result of the project? Cost-Effectiveness: was the project cost efficient compared to alternatives?

2.9.4 Evaluation Criteria

According to UK Space Agency: International Partnerships Programme (2016), evaluations are typically conducted through independent evaluations that assess their project against these criteria:

Relevance: The extent to which the project is suited to the priorities and policies of the target group, recipient and donor.

Effectiveness: A measure of the extent to which a project attains its objectives.

Efficiency: Efficiency measures the outputs -- qualitative and quantitative -- in relation to the inputs. It is an economic term, which signifies that project aid uses the least costly resources possible in order to achieve the desired results.

Impact: The positive and negative changes produced by a development intervention, directly or indirectly, intended or unintended. This involves the main impacts and effects resulting from the activity on the local social, economic, environmental and other development indicators. The examination should be concerned with both intended and unintended results and must also include the positive and negative impact of external factors, such as changes in terms of trade and financial conditions.

Sustainability: Sustainability is concerned with measuring whether the benefits of an activity are likely to continue after donor funding has been withdrawn. Projects need to be environmentally as well as financially sustainable.

2.10 Challenges of Monitoring and Evaluation

According to Robert Lahey (2015), there are some serious gaps in several areas associated with the results framework, the theory of change and the M&E plan. In particular:

The articulation of the project's theory of change is generally absent or insufficient. The absence of a theory of change for most projects leaves a significant gap in design aspects of the architecture of the project. Where partnering is a common feature, clarity around the assumptions identifying where, when and how external influencers would be expected to intervene is important for both project design as well as monitoring progress and performance. On a measurement level, this kind of gap negatively impacts the ability to monitor, evaluate and report on project performance.

The current approach to log frames needs modification and enhancement, for example, more focus on causal link assumptions and risks, as well as the potential role of other key players/partners to programme success. Most log frames are not cast in a holistic frame of broad results/expectations for eventual outcomes. In many respects, the log frame seems to serve as a road map for articulating activities for the sole purpose of monitoring the activities. This is useful from a planning and management perspective, but falls far short of measuring and monitoring results and project success. It also means that results information which is needed for an eventual evaluation will not likely be readily available at the time of the evaluation.

The log frame identification of expected results generally fails to clearly identify the full set of results and often confuses the articulation of 'outputs' with 'outcomes'; In many respects, the log frame seems to serve as a road map for articulating activities for the sole purpose of monitoring the activities. This is useful from a planning and management perspective, but falls far short of measuring and monitoring results and project success. It also means that results information which is needed for an eventual evaluation will not likely be readily available at the time of the evaluation.
The clarity and completeness of performance indicators to measure project progress and success are frequently problematic.

The performance measurement strategy in general tends to have serious gaps, in particular, lack of relevant data/information sources and feasible measurement strategies; In general, when performance information is collected, it tends to serve more of an administrative purpose, for example, used by a program manager to report on activities and expenditures so as to justify or release funds for further project activities. Broader use of results information is limited, certainly during the life of the project.

There is too little or no monitoring of 'other influencers' that influence movement along the results chain and ultimately, attainment of success. Recognition of such 'influencers' may bring to light the non-linear relationship inherent in a project's

theory of change and the true complexity of the initiative. According to Gudda (2011), exogenous indicators are those cover factors outside the control of the project but which might affect its outcome, including risks (parameters identified during economic, social, or technical analysis, that might compromise project benefits); and the performance of the of the sector in which the project operates.

Most M&E plans generally need a more systematic, structured and comprehensive approach to the collecting, reporting and analysis of data, including assigning responsibility. Taking account of the above observations, the eventual midterm or final evaluations of the project will have access to limited results information that is readily available on project effectiveness and success. Moreover, this results in additional expenditure to collect primary data at the time of evaluation.

M&E Plans frequently are neglected or are not implemented effectively.

According to Gudda (2011) effective monitoring and evaluation can be achieved only through a careful pragmatic approach to address the limitations of the constraints and challenges to monitoring and evaluation are:

Dependence on clarity of objectives and availability of appropriate indicators

Monitoring and evaluation are of little value if a program or project does not have clearly defined objectives and appropriate indicators of relevance, performance and success. Any assessment of a program or project, whether through monitoring or evaluation, must be made vis-à-vis the objectives, i.e., what the interventions aim to achieve. Indicators are the critical link between the objectives and the types of data that need to be collected and analyzed through monitoring and evaluation. Hence, lack of clarity in stating the objectives and the absence of clear key indicators will limit the ability of monitoring and evaluation to provide critical assessments for decision-making, accountability and learning purposes.

Time constraints and quality of monitoring and evaluation

Accurate and adequate information must be generated within a limited time frame. This may not be a very difficult task in the case of monitoring actions since programme or projects managers should be able to obtain or verify information as necessary. However, the challenge is greater for evaluation conducted by external consultants. The average duration of such of assignments is three weeks; however, this should not be considered as the norm. The programme/ project managers should have the flexibility to establish realistic timetables for monitoring and evaluation depending on the nature of the evaluations. Budgetary provisions must be made accordingly.

Evaluator's objectivity and independence on findings

No evaluator can be entirely objective in his or her assessment. It is only natural that even external evaluators (i.e., those hired from outside the) could have their own biases or preconceptions. The composition of the evaluation team is therefore important in ensuring a balance in views. It is also crucial that evaluators make a distinction between facts and opinions. External evaluators must seek clarification with stakeholders on matters where there are seeming inconsistencies to ensure the accuracy of the information. This applies particularly to understanding the cultural context of the issues at hand. In case where opinions diverge, the external evaluators must be willing to consider the views of others in arriving at their own assessment.

Learning and Control

Traditionally, monitoring and evaluation have been perceived as forms of control mainly because their objectives were not clearly articulated and understood. Thus, the learning aspect of monitoring and evaluation needs to be stressed along with the role that these functions play in decision-making and accountability. In the context of the project, the contribution of learning is to the building of community capacity to manage development should be emphasized.

Feedback from monitoring and evaluation

Monitoring and evaluation can provide a wealth of knowledge derived from experience with development cooperation in general and specific programmes and projects in particular. It is critical that relevant lessons be made available to the appropriate parities at the proper time. Without good feedback, monitoring and evaluation cannot serve their purposes. In particular, emphasis must be given to drawing lessons that have the potential for broader application, i.e., those that are useful not only to a particular program or project but also to related interventions in a sector, thematic area or geographical location.

Responsibilities and Capacities

The implementing agency usually must respond to a variety of monitoring and evaluation requirements from donors. Within the context of national execution in particular, there should be only one monitoring and evaluation system, to eliminate duplication and reduce the burden on all parties concerned. Where the full capacity to carry out the responsibilities for monitoring and evaluation is adequately limited, the funding institution should assist the implementing agency to strengthen their monitoring and evaluation capacities of facilitate the engagement of external consultants.

Human Capacity

The M&E system function with skilled people who effectively execute the M&E tasks for which they are responsible. Therefore, understanding the skills needed and the capacity of people involved in the M&E system (undertaking human capacity assessments) and addressing capacity gaps (through structured capacity development programs) is at the heart of the M&E system (Gorgens & Kusek, 2010).

In its" framework for a functional M&E system, UNAIDS (2010) notes that, not only is it necessary to have dedicated and adequate numbers of M&E staff, it is essential for this staff to have the right skills for the work.

Moreover, M&E human capacity building requires a wide range of activities, including formal training, in-service training, mentorship, coaching and internships. Lastly, M&E capacity building should focus not only on the technical aspects of M&E, but also address skills in leadership, financial management, facilitation, supervision, advocacy and communication. Building an adequate supply of human resource capacity is critical for the sustainability of the M&E system and generally is an ongoing issue (Ochieng Sylvester Ooko et al., 2018).

Furthermore, it needs to be recognized that "growing" evaluators requires far more technically oriented M&E training and development than can usually be obtained with one or two workshops. Both formal training and on-the-job experience are important in developing evaluators with various options for training and development opportunities which include: the public sector, the private sector, universities, professional associations, job assignment, and mentoring programs (Acevedo et al., 2010).

Monitoring and evaluation carried out by untrained and inexperienced people is bound to be time consuming, costly and the results generated could be impractical and irrelevant. Therefore, this will definitely affect the success of projects (Nabris, 2012).

2.11 Best Practices of Monitoring and Evaluation

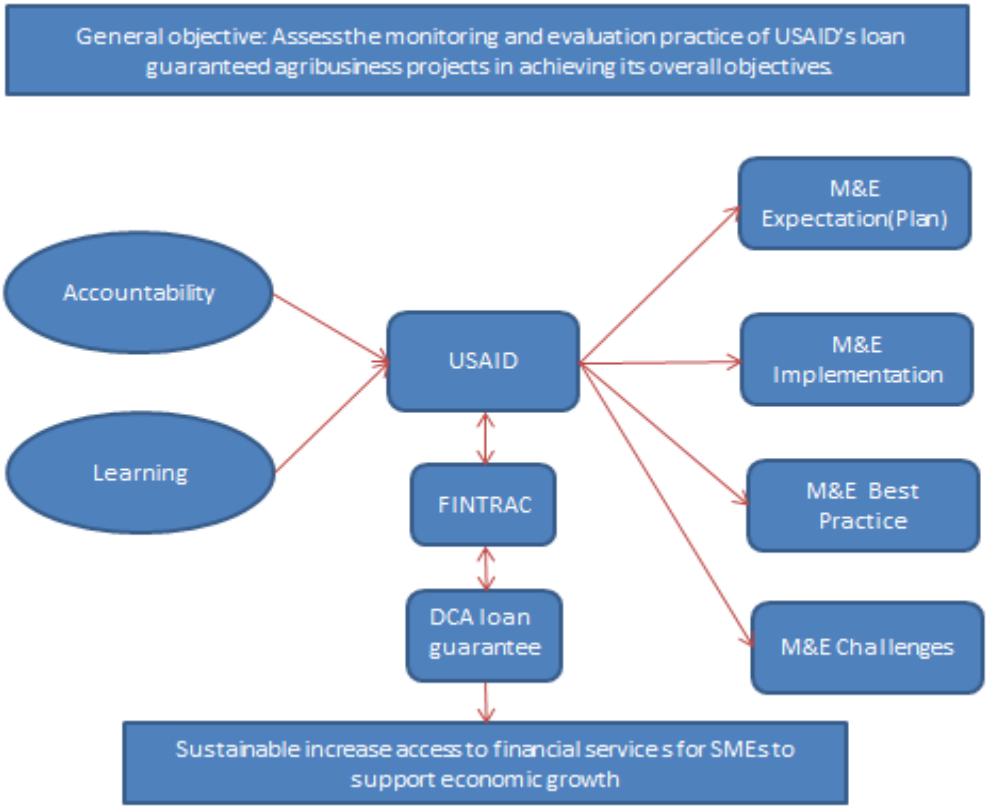
Monitoring and evaluation plans that adhere to a set of accepted best practices are easy to implement and yield data that can be used to continually improve program performance. According Jill Mathis et al (2001), M&E plan's success rests on the following seven accepted best practices in monitoring and evaluation.

1. Link the M&E Plan to the Strategic Plan and Work plan
2. Emphasize Efficiency and Cost-effectiveness
3. Use Data from Multiple Sources
4. Employ a Participatory Approach
5. Draw on the Best Combination of International and Local Expertise
6. Disseminate the Results to a Broad Audience
7. Facilitate the Use of Data for Program Improvement

2.12 Conceptual Framework

On the basis of the review of literature as explained in the immediate previous sections, the conceptual framework is a combination of the various findings in literature which have been grouped and arranged to a framework which guided this research in an attempt to provide a solution to the general objective. The conceptual framework is illustrated below.

Figure 2.4 Conceptual framework of general objective



Source: Adapted and Modified from (Muzinda Mark, 2011)

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter involves what research approaches were planed and the procedures for the research that spun the steps from broad assumptions to detailed methods of data collection, analysis, and interpretation. It represents a perspective about the research that presents information in a successive way from broad constructions of research to the narrow procedures of methods.

3.2 Research Design and Approach

Research designs are strategies of inquiry (Denzin & Lincoln, 2011). MacMillan and Schumacher (2001:166) define it as a plan for selecting subjects, research sites, and data collection procedures to answer the research question(s). They further indicate that the goal of a sound research design is to provide results that are judged to be credible. For Durrheim (2004:29), research design is a strategic framework for action that serves as a bridge between research questions and the execution, or implementation of the research strategy.

The researcher used descriptive type of approach. According to John W. Creswell, (2013), descriptive research does not fit neatly into the definition of either quantitative or qualitative research methodologies, but instead it can utilize elements of both, i.e. a mixed method research approach. According to Kemper, Springfield and Teddlie (2003) define mixed methods design as a method that includes both qualitative and quantitative data collection and analysis in parallel form (concurrent mixed method design in which two types of data are collected and analyzed in sequential form).

This research used a mixed approach, i.e. integrating qualitative and quantitative approach. This integration provides a better understanding of the research problem than either of each alone. By mixing both quantitative and qualitative research and data, gains

in breadth and depth of understanding and corroboration, while offsetting the weaknesses inherent to using each approach by itself. It gives true information by triangulation, i.e., the use of several means (methods, data sources and researchers) to examine the same phenomenon. Triangulation allows one to identify aspects of a phenomenon more accurately by approaching it from different vantage points using different methods and techniques.

3.3 Study Setting

It was conducted in the Addis Ababa, where USAID transitioned hundreds of undertakings of its Agribusiness Market Development activity to partners and government agencies to assure the sustainability and continuation of the work achieved.

The agriculture sector is a fundamental cornerstone of the Ethiopian economy. And the Agribusiness Market Development led by Feed the Future initiative's flagship activity in Ethiopia and represents USAID's contribution to the Government of Ethiopia's Agricultural Growth Program.

Reviewing the available literature related to the problem in hand, the researcher designed the study. In assessing the practice of monitoring and evaluation, the researcher focused on measuring the outputs, outcomes and impact level achievements.

3.4 Study Population

The source population targeted all technical staff of USAID working on DCA loan guaranteed agribusiness projects, i.e. census was conducted. This includes senior advisers, project management specialists, agriculture officer and Fintrac FTF coordinator. In total they are 29 technical personnel working on the project. Therefore, the researcher systematically acquired and recorded information from all the members of the given population, i.e. census method was used. It reduced the concern for accuracy and it was easier to administer because it included all.

3.5 Data Collection

The researcher used both primary and secondary data collection methods to achieve the intended research objectives. For primary, questionnaires and semi-structured interviews with key informants were taken and for secondary data, evaluation reports of USAID, surveys and Academic literatures were used.

Data collected using both quantitative and qualitative methods. Specifically questionnaires, semi-structured interviews to key informants and document analysis were employed as instruments of data collection.

Benefits of using information from monitoring and evaluation are multiple. The value of a monitoring and evaluation exercise is determined by the degree to which the information is used by intended decision makers and a wider audience. Monitoring and evaluation provide information and facts that, when accepted and internalized, become knowledge that promotes learning (UNDP, 2009).

From an assessment survey done recently on all USAID missions, Ethiopia's scored 4.4 from the 5 for having the strongest mechanisms for monitoring and evaluations service contracts designed and managed by USAID missions. The overall assessment focused on the structure of M&E contracts, associated implementation issues, and how findings were used. This assessment revealed that Missions broadly defined M&E, and designed mechanisms to cover a range of services from assessments and special studies to performance monitoring and reporting to evaluations and learning. While challenges and drawbacks outweighed successes, there is progress on cultural change and appreciation of information and knowledge for learning. The report summarized.

Ethiopia's Mission invested much of their early contract work in capacity building of mission staff and partners on M&E. The Mission has already trained 25 Mission staff in M&E on DQAs, good SOW in evaluations, then streamlining the Results Framework and doing the PMP) across different teams yet found this may not be enough. "We don't do it rigorously because we are always running to implement, implement and implement."

One critical limitation to small business development is the limited availability of finance. This can be best illustrated by considering the Incremental Capital Output Ratio (ICOR), i.e. the amount of additional capital required to generate one unit of financial return.

3.6 Reliability and Validity

Validity and reliability increase transparency, and decrease opportunities to insert researcher bias in qualitative research (Singh, 2014). For all secondary data, a detailed assessment of reliability and validity involve an appraisal of methods used to collect data (Saunders et al., 2009).

It is believed that using different types of procedures for collecting data and obtaining that information through different sources (learners, teachers, program staff, etc.) can augment the validity and reliability of the data and their interpretation. Therefore, the various ways of boosting the validity and reliability of the data and instruments are delineated at length. (Zohrabi, 2013).

The researcher developed the questionnaire and semi-structured interview questions based on the elements of relevant academic literatures. Also, additional questions were also referred from published papers of the same practice assessments done on M&E with reliability Cronbach alpha greater than 0.70.

Advisor, researchers, knowledgeable people and experts on the area of M&E gave feedback on the questionnaires and interview guide. Based on the feedback from the experts, the researcher deleted five questions from the questionnaire and one question from the interview question. Pilot test were also conducted.

After discussion and feedback with Advisor, the questionnaire was developed with much ease for respondents. All of the respondents are professional with have a minimum qualification of MA/MSC; therefore, they didn't have any issue with any of the questions. Also the researcher had seeked feedback from respondents from the first batch of project personnel that was given to. They had gone through it effortlessly. The

researcher had time given them 63 questions and each respondent sent back with an average time of 25-35 minutes.

3.7 Ethical Consideration

Ethical standards were adhered in order to prevent against the fabrication or falsifying of data and therefore, promote the pursuit of knowledge and truth which is the primary goal of the research. And the researcher followed the appropriate guidelines for issues such as human rights, animal welfare, compliance with the law, conflicts of interest, safety, health standards and so on. Ethical behavior was also implemented in citing other researcher's works for relevant literatures shared. As handling of these ethical issues greatly impact the integrity of the research project.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter presents the data gathered, the results of the statistical analysis done and interpretation of findings. These are presented in tables following the sequence of the specific research on assessing the practice of monitoring and evaluation. It discusses the data analysis and findings from the questionnaires completed and interviews conducted with involved project personnel who visited the project site or had been involved in supporting the team. The purpose of this study was to identify best practices and challenges faced in monitoring and evaluating DCA loan guaranteed agribusiness projects.

Questionnaires were given to USAID & Fintrac project teams and interviews were conducted with key technical project personnel who are devoted to the loan guaranteed agri-business projects. From the 29 questionnaires handed out we had 100% response rate. After verbally confirming their consent indicating their willingness to participate in the study, these project teams completed the questionnaires and answered all the questions in the interviews. On the questionnaire it was disclosed that their responses will be totally confidential to any third party without their consent; therefore, the questionnaire was anonymously completed to ensure privacy. In this way no filled out questionnaire could be linked to any specific project team personnel.

The data from the questionnaires were statistically analyzed by a statistician. The SPSS version 11 program was used for the data analysis. The findings are discussed according to the sections of the questionnaire. The five sections of the questionnaire were:

- Section A: Demographic characteristics
- Section B: Monitoring and Evaluation Expectation
- Section C: Monitoring and Evaluation Implementation
- Section D: Monitoring and Evaluation Best Practices
- Section E: Monitoring and Evaluation Challenges

Findings from the interviews were used as additional information to clarify relevant subject matters of the assessment and if any variable affecting this assessment was left unaddressed. Most of the information came from the interview as the semi-structured interview provided an in-depth and rich data, at same time elicit data that are comparable from one subject to the next.

4.2 Demographic Characteristics

The researcher collected the data and divided into various parts based on demographic information gathered from the questionnaire and interview. And the researcher grouped the responses across tabulation to compare the data across multiple demographics. They included: sex, age, current academic qualification, position in the organization and service year in the organization. The researcher didn't add more questions as the respondents may become concerned or aggravated by having to answer large number of demographic questions. Additionally, they might feel that they will compromise their confidentiality, and others might perceive the questions as an invasion of privacy. The table below shows the number and percentage of the respondents based on Sex.

Table 4.1 Distribution of respondents by age group and sex

Age	Respondents				
	Male		Female		(%)
	#	%	#	%	
21-30	0	0	0	0	0%
31-40	6	86%	1	14%	24%
41-50	8	67%	4	33%	41%
Above 50	10	100%	0	0%	34%
Total	**24**		**5**		**100%**

Source: Field survey, 2019

Tables 4.1 to 4 show the attributes of the respondents. Sex is an important variable in a given Ethiopian social situation which is variably affected by any social or economic phenomenon and globalization is not an exception to it. Hence the variable sex was investigated for this study together with other variables. It is quite clear that out of the total respondents investigated for this study, overwhelming majority (83%) of them were males whereas about 17% were found to be females.

Age of the respondents is one of the most important characteristics in understanding their views about the particular problems; by and large age indicates level of maturity of individuals in that sense age becomes more important to examine the response. There are 29 males and females aged 31 years and over, of which 24 are males and 5 females as seen from Table 4.1 above. In terms of age groups, the respondents aged 31 to 40 comprise 24% of the total, those 41 to 50 years 41% and those 50 years and above 34%. In terms of sex, the percentage of males aged 31 to 40 is 86%, which is larger than that of females in the same age group (14%). The percentage of females aged 41 to 50 years is 33%, which is smaller than that of males in the same age group (66%) (Table 4.1). There are no females above the age of 50 years.

Education is one of the most important characteristics that might affect the person's attitudes and the way of looking and understanding any particular social phenomena. In a way, the response of an individual is likely to be determined by his educational status and therefore it becomes imperative to know the educational background of the respondents. Considering their education, to analyze employee's academic background, respondents are divided into five groups' viz. up to High school completed, up to Diploma, up to BA/BSc, up to MA/MSc and up to PhD. Table 4.2 below show the distribution of respondents by academic qualification and sex. In this survey, "PhD" is an abbreviation for "Doctor of Philosophy," commonly called a doctoral degree. It is typically the highest academic degree awarded. "MA/MSc" denotes those who have "Master of Arts" or "Master of Science" at the time of the survey. "BA/BSc" covers those who have "Bachelor of Arts" or "Bachelor of Science".

Table 4.2 Distribution of respondents by current academic qualification and sex

Current Academic qualification	Respondents				
	Male		Female		(%)
	#	%	#	%	
Ph.D.	6	86%	1	14%	24%
MA/MSc	18	82%	4	18%	76%
BA/BSc	0	0%	0	0%	0%
Diploma	0	0%	0	0%	0%
High School completed	0	0	0	0%	0%
Total	**24**		**5**		**100%**

Source: Field survey, 2019

Table 4.2 above shows the PhD group makes up 24% of the total and MSc/MA 76%. In terms of sex, the percentage of PhD respondents is higher for males (86%) than females (14%) due to range of sociocultural, economic and political factors. As it is the case with MSc/MA programs, the male have higher percentage (82%) than females (18%). It can be concluded from Table 4.2 above that all of the respondents were progressive in education and have attained a sound level of academic qualification.

Table 4.3 Distribution of respondents by position in the organization and sex

Position in the organization	Respondents				
	Male		Female		%
	#	%	#	%	
Top management	1	0%	0	0%	3%
Middle management	2	0%	0	0%	7%
Project manager	15	83%	3	17%	62%
M&E expert/officer	3	100%	0	0%	10%
Other expert	3	60%	2	40%	17%
Total	**24**		**5**		**100%**

Source: Field survey, 2019

Table 4.3 above shows the distribution of respondents by position in the organization. Here "Top Management" is the Agriculture Officer/FTF Coordinator for Economic Growth and Transformation program, "Middle Management" is Private Enterprise Officers, "Project Manager" is Project & Programs Management Specialists and "Other expert" is Micro-Small & Medium Enterprise Specialists. The "M&E expert/officer" is a specialist who works closely in monitoring the project under the program. In terms of position in the organization, the respondents under Top management comprise 3% of the total, Middle management 7%, Project Manager 62%, M&E expert/officer 10% and Other expert 17% as seen from Table 4.3 above. In terms of sex, based on the position in the organization the percentage of Project manager respondents is higher for males (83%) than females (17%) as well as for Other expert; the percentage of males (60%) is higher than females (40%). There are no female respondents under Top management, middle management and M&E expert/officer.

Even though there is affirmative action policy implemented for females' opportunity, it is due to the culture in the most generalized term. According to Lemessa (2011), in most parts of Ethiopian society the ways of life (in which patriarchy, differential gender socialization and marriage etc.) highly impede females' equal public activities (example, education in general and higher education in particular) with males.

Table 4.4 Distribution of respondents by service year in the organization and sex

Service year in the organization	Respondents				
	Male		Female		%
	#	%	#	%	
<5years	4	0%	0	0%	14%
5-10 years	7	58%	5	42%	41%
>10years	13	100%	0	0%	45%
Total	**24**		**5**		**100%**

Source: Field survey, 2019

Table 4.4 above shows service year in the organization status of the respondents against sex. Here the respondents ">10years" are classified as those who have served the organization for 10 years and above. Respondents under "5-10 years" comprise of respondents who served 5 to 10 years in the organization. And respondents under "<5years" are those who have served in the organization for less than 5 years. In terms of years of service in the organization, 14% of the respondents have worked less than 5 year, 41% have worked between 5 to 10 and 45% have more than 10 year of experience. In terms of sex, all of the females are situated under 5 to 10 years in the organization.

4.3 Monitoring and Evaluation Expectation

The second part of the questionnaire builds upon the key M&E concepts presented in the literature outlining 12 key concepts for project M&E and tried to identify what project personnel should expect in a basic M&E assessment. They are interconnected and should be viewed as part of a mutually supportive M&E system. Table 4.5 below shows that from the 12 key activities, of which majority of the respondents have declared that they agree as can be understood from the overall mean (4). According to the mean out of the 12 factors, 3 of them are what the respondents strongly agree to and they are: *Needs assessment & Baseline survey, Data collection and Resource estimation*. There are 7 factors which the respondents agreed to and they are: *Log-frame design, Clearly defined outcome & output, The data source & availability, Frequency of analysis & method, The end user, The risks & assumptions and Extra time for evaluation*. There are two factors that the researcher identified as challenges from this section and they are: *Indicators and Stakeholder's involvement*.

"The indicators are SMART (specific, measurable, attainable, relevant and time-bounded) and have indicative targets with baselines" and "There is stakeholders involvement in M&E and it is consistent at all levels" are two areas where majority of the respondents have disagreed on.

Table 4.5 Monitoring and evaluation expectation of respondents

M&E Expectation	Responses										TOTAL	MEAN
	Strongly Agree (5)		Agree (4)		Disagree (2)		Strongly disagree (1)		Neither agree or disagree (3)			
	#	%	#	%	#	%	#	%	#	%		
Needs assessment & baseline survey	29	100%	0	0%	0	0%	0	0%	0	0%	29	5.00
Log-frame design	2	7%	27	93%	0	0%	0	0%	0	0%	29	4.07
Clearly defined outcome & output	4	14%	25	86%	0	0%	0	0%	0	0%	29	4.14
Indicators	1	3%	3	10%	25	86%	0	0%	0	0%	29	2.31
The data source & availability	3	10%	26	90%	0	0%	0	0%	0	0%	29	4.10
Data collection, verification of quality & source	24	83%	5	17%	0	0%	0	0%	0	0%	29	4.83
Stakeholders involvement		0%	5	17%	23	79%	0	0%	1	3%	29	2.38
Frequency of analysis & method	4	14%	22	76%	1	3%	0	0%	2	7%	29	4.00
Resource estimation	24	83%	2	7%		0%	0	0%	3	10%	29	4.72
The end user	2	7%	24	83%	2	7%	0	0%	1	3%	29	3.90
The risks & assumptions	9	31%	20	69%	0	0%	0	0%	0	0%	29	4.31
Extra time for evaluation	6	21%	23	79%	0	0%	0	0%	0	0%	29	4.21
Overall Mean												4.00

Source: Field survey, 2019

From the interview that was conducted with major technical experts, it has been noted that major indicators are quantitative and measured against benchmarks and to the overall project components. However, the indicators are considered not SMART (specific, measurable, attainable, relevant and time-bounded) enough to give a more simple and straightforward measurement that can be reliable. The indicators statements used are not precise information needed to assess whether the intended changes have occurred. It was stressed that the indicators may need to be revised upon closer examination and according to field realities. If this is the case, revision should approved by key stakeholders, e.g. implementing partners. Which bring us to the next point, i.e. stakeholder involvement.

Stakeholder involvement should be consistent at all levels in M&E. One of the best practices in M&E is participatory monitoring involving key stakeholders. This can not only reduce costs but can build understanding and ownership. This also includes participatory evaluations are conducted with the beneficiaries and other key stakeholders,

and can be empowering, building their capacity, ownership and support. Another area that stake holder involvement would highly beneficial is data analysis. Data analysis is not something that happens behind closed doors among statisticians, nor should it be done by one person, e.g. the project/programme manager, the night before a reporting deadline. When multiple perspectives are included, greater participation can help cross-check data accuracy and improve critical reflection, learning and utilization of information. Stakeholder involvement in analysis at all levels helps ensure M&E will be accepted and regarded as credible. It can also help build ownership for the follow-up and utilization of findings, conclusions and recommendations.

4.4 Monitoring and Evaluation Implementation

Table 4.6 below shows that majority of the respondents have stated that they strongly agree and agree from the 13 factors cited under implementation of M&E. The 4 factors that respondents strongly agree to are: *Guideline for data presentation, Record keeping and reporting, Knowledge products & accessibility and Accountability of outcomes*. The 7 factors that respondents agree to are: *M&E Unit, M&E technical working groups/committees, M&E strategic plan, M&E work plan, Inventory of survey, Comprehensive database & high quality and Inventory of evaluation & research agenda*. The 2 factors that the researcher identified as challenges are: *Human capacity building plan and M&E document*. I.e. “There is a human capacity building plan and it is based on assessment of results” and “There is an M&E document for policy issues and strategies” are two statements where majority of the respondents have disagreed on.

In the interview with key informants it was stated the complete M&E plan allows the project/programme team to cross-check the logframe and indicators before project/programme implementation (ensuring they are realistic to field realities and team capacities). Team involvement is essential because the M&E plan requires their detailed knowledge of the project/programme context, and their involvement reinforces their understanding of what data they are to collect and how they will collect it. In order to do that the team must be trained to deploy the right people with the right skills, to the right

place at the right time is critical for successful operations. However, there has not been a human capacity building plan that is itemized under M&E budget. Identifying M&E capacity-building requirements and opportunities were listed as a major area of improvement. This constraint includes lack of willingness by senior management to invest in the M&E system by investing in human resource capacity development and One-dimensional capacity building strategies such as relying only on workshops.

Table 4.6 Monitoring and evaluation implementation of respondents

M&E Implementation	Responses										TOTAL	MEAN
	Strongly Agree (5)		Agree (4)		Disagree (2)		Strongly disagree (1)		Neither agree or disagree (3)			
	#	%	#	%	#	%	#	%	#	%		
M&E Unit	12	41%	17	59%	0	0%	0	0%	0	0%	29	4.41
Human Capacity Building plan	1	3%	4	14%	24	83%	0	0%	0	0%	29	2.38
M&E technical working groups/committees	0	0%	26	90%	3	10%	0	0%	0	0%	29	3.79
M&E strategic plan	8	28%	21	72%	0	0%	0	0%	0	0%	29	4.28
M&E work plan	6	21%	23	79%	0	0%	0	0%	0	0%	29	4.21
M&E document	0	0%	4	14%	20	69%	0	0%	5	17%	29	2.45
Guideline for data presentation	29	100%		0%	0	0%	0	0%	0	0%	29	5.00
Inventory of survey	12	41%	17	59%	0	0%	0	0%	0	0%	29	4.41
Comprehensive database & high quality	8	28%	21	72%	0	0%	0	0%	0	0%	29	4.28
Record keeping & reporting	28	97%	1	3%	0	0%	0	0%	0	0%	29	4.97
Inventory of evaluation & research agenda	5	17%	24	83%	0	0%	0	0%	0	0%	29	4.17
Knowledge products & accessibility	23	79%	6	21%	0	0%	0	0%	0	0%	29	4.79
Accountability of outcomes	18	62%	4	14%	0	0%	0	0%	7	24%	29	4.38
Overall Mean												3.78

Source: Field survey, 2019

To have an M&E document for policies and strategies will help us plan, develop and manage an advocacy and communication strategy for the organization's or implementing partner M&E system. The purpose of an advocacy and communication strategy is to help ensure knowledge of, and commitment to, M&E and the M&E system among policy-

makers, program managers, program staff and other stakeholders. Even though the organization developed advocacy and communications strategies to define how they plan to communicate messages about their programs to the general public and to other, more specific target audiences, there aren't strategies that refer to the need to communicate about, and advocate for, monitoring and evaluation. If the organization has done so, it would have given a positive culture for M&E, as it is an essential and important part of having an enabling environment for the organization's M&E system in place.

4.5 Monitoring and Evaluation Best Practices

In order for development programs and projects to employ best practices, they need to have a robust M&E system in place. Ignoring the need for a robust project monitoring and evaluation system is detrimental to a program and its prospects for funding. A good M&E system promotes effective policy changes and the accountability of stakeholders. On the best practices that have been adopted, respondents have indicated that majority of the factors they adhere to. Among the factors, they strongly agree on: *M&E, strategic & work plan, Participatory approach, Data use on program improvement and Sustainability.* And they agree on: *Data source, International & local expertise and Result dissemination*. The challenge identified under best practice is *Efficiency and cost effectiveness.*

As seen from Table 4.7 below the analysis of the data states that many of the respondents agree on best practices adopted by the project which can be understood by the overall mean (4.37). However, the one area that respondents had reservation on was "Efficiency and Cost-effectiveness are emphasized on M&E". Majority of respondents disagreed on it.

Table 4.7 Monitoring and evaluation best practice of respondents

M&E Best Practices	Responses										TOTAL	MEAN
	Strongly Agree (5)		Agree (4)		Disagree (2)		Strongly disagree (1)		Neither agree or disagree (3)			
	#	%	#	%	#	%	#	%	#	%		
M&E, strategic & work plan	28	97%	1	3%	0	0%	0	0%	0	0%	29	4.97
Efficiency & cost-effectiveness	2	7%	4	14%	23	79%	0	0%	0	0%	29	2.48
Data source	16	55%	13	45%	0	0%	0	0%	0	0%	29	4.55
Participatory approach	20	69%	6	21%	0	0%	0	0%	3	10%	29	4.59
International & local expertise	13	45%	16	55%	0	0%	0	0%	0	0%	29	4.45
Result dissemination	10	34%	19	66%	0	0%	0	0%	0	0%	29	4.34
Data use on program improvement	25	86%	4	14%	0	0%	0	0%	0	0%	29	4.86
Sustainability	20	69%	9	31%	0	0%	0	0%	0	0%	29	4.69
Overall Mean												4.37

Source: Field survey, 2019

A good M&E system is more than a mere statistical task or an external obligation. For the M&E system to be effective and efficient, it must be planned properly, managed efficiently and provided with adequate resources, making it sustainable. The priorities and the objectives assigned to M&E systems should be moved towards ensuring greater accountability and promoting more effective and efficient policymaking. There should always be a synergetic stage where different M&E systems are functioning harmonically and in a coordinated manner to provide effectively and efficiently relevant and quality information for policy actions.

4.6 Monitoring and Evaluation Challenges

This part of the paper points to the particular stage of the project cycle where more attention on M&E development is likely needed from 8 different key activities. It tries to identify common issues that continue to plague M&E implementation and negatively affect eventual evaluations. The 8 categories identified under M&E challenges are: Result

framework, Theory of Change & M&E Plan, Objectives & Indicators, Time & Quality, Evaluator's objectivity & independence, Learning & Control, Feedback from monitoring & evaluation, Responsibilities & Capacities and Skilled human resources.

The objective is to discuss challenges in institutionalizing M&E systems and using M&E information to support planning and budgeting decisions as well as to enhance the project team's transparency and accountability. The first session was devoted to Result framework, Theory of Change & M&E Plan. Under it 10 areas were cited as key activities that can influence the M&E system. The respondents had an overall consensus on agreeing on most of them, which we can be understood by the mean (3.80) as seen from Table 4.8 below.

Table 4.8 Monitoring and Evaluation Challenges of respondents: Result framework, Theory of Change & M&E Plan

	M&E Challenges	Responses										TOTAL	MEAN
		Strongly Agree (5)		Agree (4)		Disagree (2)		Strongly disagree (1)		Neither agree or disagree (3)			
		#	%	#	%	#	%	#	%	#	%		
Result framework, Theory of Change & M&E Pla	Theory of change	27	93%	2	7%	0	0%	0	0%	0	0%	29	4.93
	Assumptions clarity	4	14%	25	86%	0	0%	0	0%	0	0%	29	4.14
	Log-frame	3	10%	20	69%	0	0%	0	0%	6	21%	29	3.90
	Full set of results	0	0%	25	86%	1	3%	0	0%	3	10%	29	3.83
	Performance indicators	0	0%	3	10%	23	79%	0	0%	3	10%	29	2.31
	Performance measurement strategies	0	0%	24	83%	3	10%	0	0%	2	7%	29	3.72
	Other influencers'/exogenous indicators	0	0%	2	7%	26	90%	0	0%	1	3%	29	2.17
	Data management	5	17%	24	83%	0	0%	0	0%	0	0%	29	4.17
	Outcome & Impact	2	7%	22	76%	0	0%	0	0%	5	17%	29	3.90
	M&E plan	26	90%	3	10%	0	0%	0	0%	0	0%	29	4.90
	Overall Mean												3.80

Source: Field survey, 2019

However, as we can see from Table 4.9 two areas had a low mean score of 2.17 and 2.37 which respondents had disagreement on. They are mentioned as two major weaknesses that respondents had unanimity on. They are respectively: *There is clarity and completeness of performance indicators to measure project progress and success* and

There is monitoring of 'other influencers'/exogenous indicators that influence movement along the results chain and ultimately, attainment of success.

From the interview conducted with key technical experts, it has been noted that the indicator are not fully reliable as they give inaccurate, not measured in a standardized way and as an overall does not directly reflect the objective concerned. They have stressed the idea that a more comprehensive results framework should be developed. Even though the benefit of the project is assisting agribusinesses to open up new markets for profitable commercial operations, it doesn't have clear indicators that can measure whether incomes increased or not.

The overall objective of the project is to enhance the access to finance among under-served agribusinesses. Exogenous issues were identified as one of the challenges that affect the project's effectiveness and sustainability. The largest exogenous challenge facing the project is the shortage of commercial bank liquidity, driven by the large demand for loanable funds due to recent high economic growth rates, lack of foreign competition, and the requirement since April 2011 for commercial banks to purchase low-yield Development Bank of Ethiopia (DBE) bonds worth 27 percent of the principal value of all loans made. Even though, the loan guarantee encouraged banks to assume increased risks assigned, and until just recently these investments have paid off; however, they are now experiencing pressure as a result of an exogenous shock in the form of a massive drought. It is hoped that the agriculture sector can escape the current downturn and continue to attract investment going forward.

Table 4.9 Monitoring and Evaluation Challenges of respondents: Objectives & Indicators

	M&E Challenges	Responses										TOTAL	MEAN
		Strongly Agree (5)		Agree (4)		Disagree (2)		Strongly disagree (1)		Neither agree or disagree (3)			
		#	%	#	%	#	%	#	%	#	%		
Objectives & Indicators	Defined objectives & appropriate indicators	0	0%	3	10%	22	76%	4	14%	0	0%	29	2.07
	Baseline measurement	20	69%	7	24%	2	7%	0	0%	0	0%	29	4.55
	Overall Mean												3.31

Source: Field survey, 2019

The next area that was considered as a challenge is dependence on clarity of objectives and availability of appropriate indicators. The respondents have disagreed on defined clear objectives with appropriate indicators as the mean (2.07) indicated on the above Table 4.9. Monitoring and evaluation are of little value if a program or project does not have clearly defined objectives and appropriate indicators of relevance, performance and success. However the majority (63%) of the respondents have strongly agreed that evaluation is measured against a baseline assessment, to show the impact (change) that the intervention has had.

Based on our interview, appropriateness of design was considered unsound. Even though the project had effectively met its primary objective of incentivizing commercial agribusiness lenders to serve new clients targeted by loan guarantees, the current market environment raises serious questions about the sustainability of the design and the need to reconsider various aspects of the model.

Table 4.10 Monitoring and Evaluation Challenges of respondents: Time & Quality

	M&E Challenges	Responses										TOTAL	MEAN
		Strongly Agree (5)		Agree (4)		Disagree (2)		Strongly disagree (1)		Neither agree or disagree (3)			
		#	%	#	%	#	%	#	%	#	%		
Time & Quality	Accurate & adequate information	3	10%	22	76%	1	3%	0	0%	3	10%	29	3.93
	Realistic timetable	6	21%	19	66%	0	0%	2	7%	2	7%	29	3.93
	Overall Mean												3.93

Source: Field survey, 2019

The other main limitation that has been analyzed under Table 4.10 was time constraints and quality of monitoring and evaluation. Many of the respondents have agreed that there is accurate and adequate information. Realistic timetable was set for monitoring and evaluation as the programme/ project managers have the flexibility depending on the nature of the evaluations.

One of the other main constraints that affect monitoring and evaluation is evaluator's objectivity and independence on findings. The analysis below on Table 4.11 shows that many (83%-86%) of the respondents have agreed based on the overall mean (4.10). From the semi structured interview conducted with key informants, it has been stated that external evaluators (i.e., those hired from outside USAID) hired to do a midterm performance evaluation could have their own biases or preconceptions. However, they had upholded their highest of their objectivity, rights, safety and wellbeing of participants and highest degree of integrity in the evaluation.

Table 4.11 Monitoring and Evaluation Challenges of respondents: Evaluator's objectivity & independence

	M&E Challenges	Responses										TOTAL	MEAN
		Strongly Agree (5)		Agree (4)		Disagree (2)		Strongly disagree (1)		Neither agree or disagree (3)			
		#	%	#	%	#	%	#	%	#	%		
Evaluator's objectivity & independence	Balanced composition Evaluation team	2	7%	25	86%	0	0%	0	0%	2	7%	29	4.00
	External evaluators thorough assessment	4	14%	25	86%	0	0%	0	0%	0	0%	29	4.14
	External evaluators consideration of other views	5	17%	24	83%	0	0%	0	0%	0	0%	29	4.17
	Overall Mean												4.10

Source: Field survey, 2019

The evaluators have assured names will not be disclosed and that the information that was shared to them was confidential, i.e. no names or identifying information was be used. The evaluators have ethics review board and ethics review committee, who approve, monitor and review the evaluation process with the aim to protect their rights and welfare of human participants involved in the research.

Table 4.12 Monitoring and Evaluation Challenges of respondents: Learning & Control

	M&E Challenges	Responses										TOTAL	MEAN
		Strongly Agree (5)		Agree (4)		Disagree (2)		Strongly disagree (1)		Neither agree or disagree (3)			
		#	%	#	%	#	%	#	%	#	%		
Learning & Control	Enabling learning	24	83%	5	17%	0	0%	0	0%	0	0%	29	4.83

Source: Field survey, 2019

The learning aspect of monitoring and evaluation needs to be stressed along with the role that these functions play in decision-making and accountability. And majorities (83%) of the respondents have strongly agreed that the project enables learning as understood from the mean (4.83) from the Table 4.12 above. One of the objectives of an evaluation process is to review lessons learned from the experience of loan guaranteed agribusinesses to be disseminated and propose specific interventions that will guide and strengthen future programming.

Table 4.13 Monitoring and Evaluation Challenges of respondents: Feedback from Monitoring and Evaluation

	M&E Challenges	Responses										TOTAL	MEAN
		Strongly Agree (5)		Agree (4)		Disagree (2)		Strongly disagree (1)		Neither agree or disagree (3)			
		#	%	#	%	#	%	#	%	#	%		
Feedback from monitoring & evaluation	Relevant lessons are accessible	26	90%	3	10%	0	0%	0	0%	0	0%	29	4.90

Source: Field survey, 2019

One of the elements of a quality evaluation is feedback and dissemination. It is critical that relevant lessons be made available to the appropriate parities at the proper time. Without good feedback, monitoring and evaluation cannot serve their purposes. On this major limitation of M&E, 90% of the respondents have strongly agreed that there is a wide dissemination of results and relevant regular feedback from monitoring and

evaluation process as seen from the above Table 4.13. Interviewees have stated that mechanisms and channels have been created to give feedback to all stakeholders involved at all levels. One of USAID's evaluation requirements is its transparency. After an evaluation report has been finalized, it will be disseminated with compliance to standards. USAID recognizes that evaluation is the means through which it can obtain systematic, meaningful feedback about the successes and shortcomings of its endeavors. Evaluation provides the information and analysis that prevents mistakes from being repeated, and that increases the chance that future investments will yield even more benefits than past investments.

Table 4.14 Monitoring and Evaluation Challenges of respondents: Responsibilities & Capacities

	M&E Challenges	Responses										TOTAL	MEAN
		Strongly Agree (5)		Agree (4)		Disagree (2)		Strongly disagree (1)		Neither agree or disagree (3)			
		#	%	#	%	#	%	#	%	#	%		
Responsibilities & Capacities	Compliance of M&E requirement by IP	2	7%	27	93%	0	0%	0	0%	0	0%	29	4.07

Source: Field survey, 2019

One of the other main constraint that was analyzed was Fintrac's response rate to a variety of monitoring and evaluation requirements from USAID. As seen from the table 4.14 above, 93% of the respondents have agreed that Fintrac has full and adequate capacity to carry out the responsibilities of monitoring and evaluation. Technical assistance is also given to loan guaranteed borrowers, and it was found to be of high quality on average. Although it is minor, it was suggested that by one of our key interviewees that USAID technical assistance should ensure that general information about the DCA loan guarantee program is provided to Fintrac & borrowers and is clearly understood.

Table 4.15 Monitoring and Evaluation Challenges of respondents: Skilled Human Resources

	M&E Challenges	Responses										TOTAL	MEAN
		Strongly Agree (5)		Agree (4)		Disagree (2)		Strongly disagree (1)		Neither agree or disagree (3)			
		#	%	#	%	#	%	#	%	#	%		
Skilled human resources	Highly skilled M&E team	8	28%	21	72%	0	0%	0	0%	0	0%	29	4.28
	Human capacity building	6	21%	23	79%	0	0%	0	0%	0	0%	29	4.21
	Trained M&E team: (leadership, FM)	4	14%	25	86%	0	0%	0	0%	0	0%	29	4.14
	Trained M&E team: (formal, in-service)	7	24%	22	76%	0	0%	0	0%	0	0%	29	4.24
	Adequate supply of M&E team	22	76%	2	7%	0	0%	0	0%	5	17%	29	4.59
	Overall Mean												4.29

Source: Field survey, 2019

The last constraint that was analyzed under Table 4.15 above is skilled people who effectively execute the M&E tasks. Many of the respondents have stated that not only that there is dedicated and adequate numbers of M&E staff, they are also highly skilled for the work, as understood from the overall mean (4.29).

4.7 Interpretation of Findings

The researcher used descriptive statistics to identify the main problem areas in the project's M&E by comparing the mean between the respondents' agreement and disagreement on the issue associated with M&E. All means that were 2 and below were analyzed and an overall mean that indicated the soundness of respondents' consensus over the issue were summarized.

The respondents have strongly agreed on 6 of the factors. And they are: *Theory of change, M&E plan, Baseline measurement, Enabling learning, Relevant lessons are learned and Adequate supply of M&E team.* And they agreed to: *Assumptions clarity, Log-frame, Full set of results, Performance management strategies, Data management,*

Outcome & Impact, Accurate & adequate information, Realistic timetable, Balanced composition of Evaluation team, External evaluators thorough assessment, External evaluators consideration of other views and Compliance of M&E requirement by IP, Highly skilled M&E team, Human capacity building, Trained M&E team: (leadership, FM), Trained M&E team: (formal, in-service) and Adequate supply of M&E team.

Here below are list areas where gaps were identified for discussion:

- The indicators are SMART (specific, measurable, attainable, relevant and time-bounded) and have indicative targets with baselines.
- There is stakeholder's involvement in M&E and it is consistent at all levels.
- There is a human capacity building plan and it is based on assessment of results,
- There is an M&E document for policy issues and strategies,
- Efficiency and Cost-effectiveness are emphasized on M&E.
- There is clarity and completeness of performance indicators to measure project progress and success,
- There is monitoring of 'other influencers'/exogenous indicators that influence movement along the results chain and ultimately, attainment of success, and
- The monitoring and evaluation have clearly defined objectives and appropriate indicators of relevance, performance and success

Each constraint was interpreted under each data analysis table and are further summarized and discussed in the next chapter.

4.8 Research Limitation

The study was limited to basic elements of monitoring and evaluation due to time constraints. The technical experts interviewed were professionals and since their time is valuable there was a quick assessment when semi-structured interview was conducted.

This research cannot be used to generalize to other projects as different practice assessments might yield different results.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter summarizes the findings of the research, conclusion and recommendation of the whole study. The findings of the study without so much detailed information are written in the summary. Generalization and other interferences would be seen on the conclusion while recommendation of the researcher to the beneficiaries of this study can also be seen on this chapter. Generally, this chapter aims to cover-up the end result of the study.

5.2 Summary

The below findings show the major weak points/gaps on the current practice of monitoring and evaluation done on loan guaranteed agribusiness projects that was taken from a questionnaire and semi-structured interview assessments conducted with project personnel by a thematic area.

- The indicators are not SMART (specific, measurable, attainable, relevant and time-bounded) and have indicative targets with baselines. Even though, USAID has moved substantially from planning performance measurement systems to actually using performance data in managing for results, the only performance indicators gathered have been numbers of loans, size of loans, interest rates, size of collateral, numbers of first-time and women-owned borrowers (sometimes), and utilization rates. A more comprehensive results framework should be developed for future guarantees.
- There is no stakeholders' involvement in M&E and it is not consistent at all levels. Involvement and participation refers to the engagement of stakeholders in the development process in order to ensure that the intended benefits of projects and programmes reach the communities in focus. PM&E seeks to involve all key stakeholders in the process of developing framework for measuring results and reflecting on the projects' achievement and proposing solutions based on local

realities (Coupal, 2001:2). According to the World Bank (2010a) Participatory Monitoring and Evaluation indicates that it is a process through which stakeholders at various levels engage in monitoring or evaluating a particular project or programme or policy, share control over the content, the process and the results of the monitoring and evaluation activity and engage in taking or identifying corrective actions".

- There is no human capacity building plan and it is not based on assessment of results. Once roles and responsibilities have been determined, it is important to specify any M&E training requirements. For longer-term projects/programmes, or those with significant training needs, it may be useful to create an M&E training schedule (planning table), identifying key training sessions, their schedule, location, participants and allocated budget.
- There is no M&E document for policy issues and strategies. To make M&E systems work there should be advocacy, communications and culture for M&E. The purpose of an advocacy and communication strategy is to help ensure knowledge of and commitment to M&E and the M&E system among policy-makers, program managers, program staff and other stakeholders.
- Efficiency and Cost-effectiveness are not emphasized on M&E. Cost-effectiveness aims to achieve the greatest development impacts from the available resources. Efficiency measures the outputs -- qualitative and quantitative -- in relation to the inputs.
- Performance indicators are not clear and complete to measure project progress and success. There were theories of change discussing the importance of increasing income, but then there weren't any indicators that can measure whether incomes increased or not.
- There is too little or no monitoring of 'other influencers/exogenous indicators' that influence movement along the results chain and ultimately, attainment of success. Recognition of such 'influencers' may bring to light the non-linear relationship inherent in a project's theory of change and the true complexity of the initiative;

- The monitoring and evaluation don't have clearly defined objectives and appropriate indicators of relevance, performance and success. Managing for results means clearly defining the results expected, delivering the project, measuring and evaluating performance, and making subsequent adjustments to improve both efficiency and effectiveness. It also means reporting on performance to key audiences.

5.3 Conclusions

The objective of this research is to examine the policy procedures & structure of monitoring and evaluation practice that are in place in USAID's loan guaranteed agribusiness projects in Addis Ababa, identify the major challenges USAID faces in monitoring and evaluation for its loan guaranteed agribusiness projects, identify and suggest coping mechanisms for challenges set forth in monitoring and evaluation**.** From the data analysis interpretation and summary the researcher has concluded on the below factors.

The indicators statements used on the project are not giving precise information needed to assess whether the intended changes have occurred. It was stressed that the indicators may need to be revised upon closer examination and according to field realities performance. Performance indicators must be based on the unique objectives of individual projects. But any set of performance indicators should also be based on an underlying logical framework that links project objectives with project components and their respective inputs, activities, and outputs at different implementation stages. Sound decisions require accurate, current, and reliable information, and the benefits of this results oriented approach depend substantially on the quality of the performance information available. More specifically, quality performance indicators and data (combined with other information) will help. That includes, for example, variables such as changes in the bank's overall lending portfolio, average collateral reductions with respect to non-DCA-backed loans, and number of entrepreneurs and bankers trained in connection with the program. DCA should also actively encourage surveys of borrowers that would collect baseline data about their business and follow-up in order to collect

impact-level data on variables such as changes in business and family income following access to finance. Partner banks should offer such baseline information about their clients and USAID implementing partners should follow up between one and three years after loan disbursement with a brief survey.

The research has established that stakeholders were rarely involved in M&E of projects. It is important to note that active participation by stakeholders matters not only as a means of improving development effectiveness but also as the key to long-term sustainability and leverage (World Bank, 1998:1). Collins (1996:3) indicated that the empowerment of beneficiaries and stakeholders can help sustain a project beyond the disbursement period due to enhanced capacities and ensure an increased level of beneficiary and stakeholder interest in project management. In addition, enhancing stakeholders perceived ownership especially; the beneficiaries can often be directly linked to improved maintenance of the project and therefore further contributes to its sustainability in the long term. Hilhorst and Guijt (2006:43) pointed out that access to complete project information provides people with a sound basis to voice their concerns and needs, which can be incorporated into project activities.

Another area that was stated as a weakness point was, USAID projects do not have a human capacity building plan. In the absence of human capacity building plan, capacity building that is undertaken is not regular or structured to consider needs and types and levels of training. Consequently, not all gaps in M&E skills and competencies are addressed. It is important for USAID to obtain and maintain knowledgeable, skilled and competent personnel required to carry out the variety of duties for a particular professional position or among a team of people responsible for M&E. It is also important to identify any gaps between the project/programme's M&E needs and available personnel, which will inform the need for capacity building or outside expertise.

There should be a document for M&E policy issues and strategies. According to (Gorgens and Zall, 2009), a positive culture for M&E is an essential and important part of having an enabling environment for an organization's M&E system in place. Advocacy and communications to create a positive M&E culture entails the exchange of information about M&E to change attitudes, actions, perceptions and behavior relating to

M&E. By influencing people, organizations, systems and structures at different levels, M&E advocacy and communication efforts create a shared set of positive values about the importance and value of M&E.

Another major area that was stated as a constraint was efficiency and cost-effectiveness are not emphasized on M&E, The results or the performance evaluation should focus primarily on assessing effectiveness, efficiency, and economy of the program, observe its processes, knowledge products, and intermediate and final results, as appropriate and feasible, depending on the available information. The evaluation of the results or performance is made by applying the horizontal logic of the matrix. To know what impact your intervention had, assessment/review of efficiency, effectiveness and sustainability should be stressed. On the one hand, it enables the proposed objectives (effectiveness), and, second, it facilitates management improvement through continuous learning (mainly efficiency).

Although there primary objectives of the project are being met, there is lack of clarity in stating the objectives and the absence of clear key indicators that limit the ability of monitoring and evaluation to provide critical assessments for decision-making, accountability and learning purposes. Poorly defined indicators are not good measures of success. If done so it will make the system costly, impractical, and likely to be underutilized. The information being collected via M&E indicators should answer whether or not the project achieved its intended purpose.

Exogenous indicators are another challenge faced by USAID projects as they are not monitored well. Concerns to monitor both the project and its wider environment call for a data capacity outside the project and it places an additional burden on the project's Monitoring and evaluation effort. The relative importance of the monitoring other influencers is likely to change during the implementation of a project, with more emphasis on input and process indicators. Exogenous indicators should be identified in order to address risk factors and unanticipated wider environmental and social impacts.

The project's monitoring and evaluation doesn't have clearly defined objectives and appropriate indicators of relevance, performance and success. Any assessment of a

program or project, whether through monitoring or evaluation, must be made vis-à-vis the objectives, i.e., what the interventions aim to achieve. Indicators are the critical link between the objectives and the types of data that need to be collected and analyzed through monitoring and evaluation. Hence, lack of clarity in stating the objectives and the absence of clear key indicators will limit the ability of monitoring and evaluation to provide critical assessments for decision-making, accountability and learning purposes (Gudda, 2011).

5.4 Recommendations

This practice assessment on M&E was very limited in terms of scope and time. Whilst it presents a glimpse of the issue a more in depth analysis would be highly advantageous.

However, in light of the above conclusion, the researcher makes the following recommendation to address the key constraints and limitations identified by findings:-

Direct measures should be used to assess what we really need to know. There should be a specific and simple way to measure an indicator. Indicators should not be convoluted and their measurements complicated. Data availability, time constraints and cost benefit considerations should always be assessed. According to The World Bank (1996), when defining indicators, it is important to think of the typology of indicators as a continuum mirroring the logical means-end relationship of the project: input to various activities, which yields outputs, all of which contribute to outcomes and impacts. If done correctly it will be used for strategic planning, performance accounting, forecasting and early warning during program implementation, measuring program results, program marketing and public relations, benchmarking and quality management.

PM&E ensures that stakeholders at all levels should be engaged at all stages of the project/programme. At each level, however, there are specific objectives for M&E as well as stakeholder roles. For PM&E to be effective there is the need for the creation of a mechanism and channels that gives feedback to all stakeholders involved at all levels (national, district, community). In effect, PM&E system is a project and programme

management tool that provides information for management decision making which is why the focus of the study then is to assess the level of stakeholder participation in M&E of projects and programmes. According to IFRC (2011), Stakeholder involvement in data analysis at all levels helps ensure M&E will be accepted and regarded as credible, develops collaboration and consensus at different levels – between beneficiaries, local staff and partners, and senior management, empowers beneficiaries to analyse and act on their own situation (as "active participants" rather than "passive recipients"), builds local capacity and ownership to manage and sustain the project, people are likely to accept and internalize findings and recommendations that they provide, reinforces beneficiary accountability, preventing one perspective from dominating the M&E process, can save money and time in data collection compared with the cost of using project/programme staff or hiring outside support and provides timely and relevant information directly from the field for management decision-making to execute corrective actions.

There should a human capacity building plan and it should be based on assessment of results. It is imperative that M&E capacity-building requirements should be identified and opportunities sought through. M&E training schedule can also be employed (see Annex 1, IFRC). M&E training can be formal or informal. Informal training includes on-the-job guidance and feedback, such as mentorship in completing checklists, commenting on a report or guidance on how to use data management tools. Formal training can include courses and workshops on project/programme design (log frames), M&E planning, data collection, management, analysis and reporting, etc. Formal training should be tailored towards the project/programme's specific needs and audience. This can involve an outside trainer coming to the project/programme team/site, sending participants to training/ workshops, online training or academic courses. (IFRC, 2011)

Advocacy and communication creates a positive M&E culture In order to have knowledge of, and commitment to, M&E and the M&E system among policy-makers, program managers, program staff, and other stakeholders, Advocacy and Communication for an M&E System should be established. It is helps for the reasons such as: overcome misconceptions and knowledge gaps, mainstream monitoring and evaluation as one of the organization's main functions, influence policies and strategies so that they include

adequate provision for M&E, convince and encourage organizations and individuals to carry out their M&E functions, create demand for data and reduce double-reporting systems. Gorgens and Zall (2009). Annex 2 shows how to develop and implement an M&E Advocacy and Communication Plan.

The most notable aspects of the M&E plan are its speed, modest cost and simplicity. A comprehensive and well-designed M&E plan is a key asset of any program. Additionally, a plan, even one that is well designed, can be a waste of time and resources if it is not utilized for program improvement. But, when a plan is used to improve a program at all levels, it is a key investment for the success of programs. Designing and developing a thorough M&E plan requires a lengthy development and implementation process, which pays off in the long term. The impact of a sound M&E plan on continuous performance improvement is better understood when the plan is implemented over a number of years. According UNESCO (2016), there are factors that contribute to the proper functioning of an M&E system. Using technology to develop comprehensive M&E systems; addressing the potential risks of generating important volume of data; building strong organizational and technical capacity at all levels of M&E system and improving career opportunities and ensuring political commitment and leadership to establish institutional frameworks and secure funding for the development of sustainable M&E systems

Performance indicators are an effective means to measure progress toward objectives and facilitate benchmarking comparisons between different organizational units, districts, and over time. It is a best practice when possible, for funders such as USAID to not set targets in solicitations (tenders, RFPs, etc.), rather have the offerors (i.e. the future implementer) propose targets it is confident with and can achieve, and then USAID can pay a percentage of fee based on performance to these targets. Indicators should be able to organize information in a way that clarifies the relationship between a project's impacts, outcomes, outputs, and inputs and help to identify problems along the way that can impede the achievement of project objectives.

The project team would make an informed decision or alerted had it had exogenous indicators monitoring factors outside the control of the project that affect its outcome, including risks and the performance of the sector in which the project operates. The M&E plan should be revised to include assessment of indicators of exogenous factors and assumptions (e.g., climate, prices, outbreak of pests and disease, economic situation, policy environment). Use of logical framework analysis for project design will guide the identification of exogenous indicators to match the key assumptions made about necessary external conditions at each level of the logical hierarchy. IFAD (2002)

Result based management supports better performance and greater accountability by applying a clear, logical framework to plan, manage and measure an intervention with a focus on the results you want to achieve. By identifying in advance the intended results of a project/programme and how we can measure their progress, we can better manage a project/programme and determine whether a difference has genuinely been made for the people concerned. (IFRC, 2011)

5.5 Limitation and Suggestion for Further Study

According to Gudda (2011), there are no standard recipes for undertaking participatory monitoring and evaluation. PM&E involves creating a framework that suits the context of the project and the needs of the key stakeholders. Therefore, although this research adds value to the academic literature, further studies can be done by a deeper and a more detailed analysis of M&E practice assessment.

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Annex 1 M&E training schedule

M&E training schedule				
M&E training event (with examples)	**Schedule time**	**Location**	**Participants**	**Budget**
Project and programme planning				
M&E planning				
Evaluation management training				
Data collector training				
Database software training				
Etc.				

Annex 2 Developing and Implementing an M&E Advocacy and Communication Plan

Step 1: Understand the results that you want to achieve with your M&E advocacy and communications efforts

Step 2: Identify the target audiences

Step 3: Identify your allies and form a team of advocates with specific roles and responsibilities

Step 4: Lead advocates in agreeing on the key advocacy and communication messages

Step 5: Guide advocates in selecting the advocacy approaches and communication channels

Step 6: Design communications materials

Step 7: Design a plan to monitor and evaluate advocacy and communications efforts

Step 8: Support advocates in developing an advocacy work plan and budget

Step 9: Work with advocates to mobilize resources and implement the advocacy work plan

Step 10: Organize the advocates to monitor, evaluate and report on the advocacy work

Addis Ababa University
College of Business and Economics
School of Commerce

The questionnaire is designed to collect information for—monitoring and evaluating Practice of Development Loan Guaranteed Agribusiness Projects in United States Agency for International Development (USAID) – *Coffee Processing and Exporting Business Project in Addis Ababa.* The information is used as primary data in this research paper, which the researcher is conducting as a partial fulfillment of his study at Addis Ababa University for completing Masters of Project Management.

Your frank and genuine responses will contribute vastly to the quality of the findings of this study. The researcher would like to ask you to kindly complete this questionnaire, as truthfully as possible. He would also like to inform you that the responses you provide will be kept confidential and will not be disclosed to the third party without your consent.

The researcher would like to express his heartfelt thanks in advance for taking part in this endeavor.

Rufael Tadesse:+251-912-41-30-15 or rufytad@gmail.com

Direction

- No need to write your name;
- Put an "X" mark in the appropriate space or circle the choice you select whenever necessary;
- If you cannot get any satisfying choice among the given alternatives, you can write your answer, in the space provided for the option —if other, please specify area;
- For the open ended items, give brief answer in the space provided.

Consider the following abbreviation and use where appropriate:

SA= Strongly agree

SD= Strongly disagree

NN= Neither agree nor disagree

AG= Agree

DA= Disagree

Consider M&E = Monitoring and Evaluation

Part I: Demographic characteristics of the respondents and general background

1. Sex:

a. Male ☐ b. Female ☐

2. Age:

a. 21-30 ☐ c. 41-50 ☐

b. 31-40 ☐ d. above 50 ☐

3. Current academic qualification:

a. Ph.D. ☐ d. Diploma ☐

b. MA/MSc ☐ e. High School completed ☐

c. BA/BSc ☐

If other, please specify----------

4. Position in the organization:

a. Top management ☐ d. M&E expert/officer ☐

b. Middle management ☐ e. Other expert ☐

c. Project manager ☐

5. Service year in the organization ----------

Part II: Monitoring and Evaluation Expectation

1. Please read each items carefully and rate according to the knowledge you have about the M&E System of your organization using „X" mark.

No.	Questions	Response Categories				
		SA	AG	DA	SD	NN
1	Carryout needs assessment & baseline survey for all loan guaranteed agri-business projects					
2	Has the log-frame been clearly designed to monitor the logical sequence of the activities					
3	Has the expected results (outcome and output) been clearly defined from program design and result chain.					
4	The indicators are SMART (specific, measurable, attainable, relevant and time-bounded) and have indicative targets with baselines.					
5	The data sources(location) and availability(in frequency) to be obtained are indicated					
6	There are personnel responsible for organizing the data collection and verifying data quality and source.					

7	There is stakeholder's involvement in M&E and it is consistent at all levels					
8	Frequency of analysis, analysis method and responsibility for reporting have been identified					
9	Estimate of resources (mobilization of funds and skilled & dedicated personnel) required and committed for carrying out planned M&E activities have been specified.					
10	The end user who receives and review information has been identified. Is the purpose or demand for information and how the information will be used is known.					
11	The risks and assumptions in carrying out the planned M&E activities have been defined. And how they might affect the planned M&E events and the quality of the data.					
12	Extra time is allocated for evaluations, as there is a need for flexibility in order to respond to changing situations.					

Part III. Monitoring and Evaluation Implementation

No.	Questions	Response Categories				
		SA	AG	DA	SD	NN
1	There is an M&E unit responsible for monitoring and evaluating the project					
2	There is a human capacity building plan and it is based on assessment of results.					
3	There are M&E technical working groups(TWG)/Committees coordinated by USAID and their TORs are in line with intended objectives of the respective TWGs					
4	There is an M&E strategic plan for the project					
5	There is an M&E work plan for the project					
6	There is an M&E document for policy issues and strategies					
7	There is a guideline on data recording, collecting, collating and reporting					
8	There is an inventory of surveys conducted in the country and it is updated.					
9	The existing database is comprehensive and of high					

	quality.					
10	There are protocols on supervision of record keeping and reporting					
11	There is an inventory of Evaluation and Research Agenda and it is updated.					
12	There are knowledge products from databases and they can be viewed and downloaded from the website of USAID.					
13	There is accountability for the outcomes.					

Part IV Monitoring and Evaluation Best Practices

No.	Questions	Response Categories				
		SA	AG	DA	SD	NN
1	There is a link between the M&E Plan to the Strategic Plan and Work plan					
2	Efficiency and Cost-effectiveness are emphasized on M&E					
3	Data is used from multiple sources					
4	Participatory approach are employed					
5	The Best Combination of International and Local Expertise are drawn					
6	The results are disseminated to a broad audience					
7	The Use of Data for Program Improvement is facilitated					
8	Sustainability is promoted					

Part V Monitoring and Evaluation Challenges

No.	Questions	Response Categories				
		SA	AG	DA	SD	NN
Result framework, Theory of Change and M&E Plan						
1	The project's theory of change is clearly well-defined.					
2	There is clarity around the assumptions identifying where, when and how external influencers would be expected to intervene					
3	The log frames are casted in a holistic frame of broad results/expectations for eventual outcomes.					
4	The log frame identification of expected results clearly identifies the full set of results and the articulation of 'outputs' with 'outcomes'					
5	There is clarity and completeness of performance indicators to measure project progress and success					
6	There is relevant data/information sources and feasible performance measurement strategies					
7	There is monitoring of 'other influencers'/exogenous indicators that influence movement along the results chain and ultimately, attainment of success.					
8	The M&E plans has a systematic, structured and comprehensive approach to the collecting, reporting and analysis of data, including assigning of responsibilities.					
9	Can the outcome and impact be directly attributable to the intervention.					
10	The M&E Plan is implemented effectively					
Objectives and Indicators						
11	The monitoring and evaluation have clearly defined objectives and appropriate indicators of relevance, performance and success.					
12	When setting indicators, the baseline measurements for each indicator is clearly known and baseline assessment is done before or when the project kicks off					
Time and Quality						
13	Accurate and adequate information is generated within a limited time frame.					

14	A realistic timetable for monitoring and evaluation is established					
	Evaluator's objectivity and independence					
15	The composition of the evaluation team have ensured a balance in views.					
16	External evaluators must seek clarification with stakeholders on matters where there are seeming inconsistencies to ensure the accuracy of the information.					
17	In case where opinions diverge, the external evaluators are willing to consider the views of others in arriving at their own assessment.					
	Learning and Control					
18	There is learning from M&E which enables decision making, accountability and building of community capacity to manage development					
	Feedback from monitoring and evaluation					
19	Relevant lessons are made available to the appropriate parities at the proper time. I.e., those that are useful not only to a particular program or project but also to a related interventions in a sector, thematic area or geographical location.					
	Responsibilities and Capacities					
20	The implementing agency (Fintrac) responds to a variety of monitoring and evaluation requirements from USAID.					
	Skilled human resources					
21	The capacity of people involved in the M&E system are highly skilled.					
22	There is human capacity building in M&E, including formal training, in-service training, mentorship, coaching and internships.					
23	M&E team are trained in skills like leadership, financial management, facilitation, supervision, advocacy and communication					
24	The human capacity building in M&E involves formal training, in-service training, mentorship, coaching and internships.					
25	There is adequate supply of M&E human resource capacity					
26	M&E team are trained in skills like leadership, financial management, facilitation, supervision, advocacy and communication					

Interview Guide Questions Presented to USAID & Fintrac Program Personnel

Addis Ababa University

College of Business and Economics

School of Commerce

Department of Project Management

Master of Project Management Program

Date of Interview: _____

Introduction: Good morning/afternoon

Purpose: This interview is being conducted as part of my research examining Monitoring and evaluation practices of USAID's loan guaranteed agribusiness projects in achieving its overall objectives. I am interested in your experience and perspectives.

1. In the workshop of designing the M&E plan, including the identification of data sources and the establishment of indicators; what kind of stakeholders were engaged?
2. What mode of the data collection was used for Monitoring team to compare planned results with actual results?
3. Who are made accountable for monitoring the results?
4. What are the performance benchmarks that help the project staff work toward the improvement of services with greater focus and efficiency?
5. What was the information used to develop the performance benchmarks? (past progress, baseline values of the indicators, and the capacity of implementing organizations)
6. Were there projected annual benchmark values for each performance indicator for estimated future rates of change?
7. Are the indicators quantitative and measured against benchmarks and to the overall project components?
8. What data sources are used in order to diversify the measures used to track project progress? What does each entail to the project specifically?
9. How can Monitoring and Evaluation be improved in the future?
10. Any additional issue?

Thank You