



## IV. EIF Monitoring and Evaluation Framework

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## Background

1. M&E is an important aspect of the EIF and a management tool. It allows the verification of the state and quality of implementation of the EIF projects and of the overall EIF programme and proceeds through the measurement of results obtained with a view to achieving the objectives of the EIF projects and the overall programme. During the implementation, it is a way to assess whether targets are being met and, if not, to recommend corrective measures.
2. Objectively verifiable indicators against which performance can be monitored and evaluated have been established for the EIF programme in the programme-level logframe (see Annex IV.1). The indicators for M&E of EIF-funded projects are established in the logframes specific to each project.
3. The EIF M&E Framework will be implemented on the basis of mutual accountability and linked to the extent possible with existing M&E systems in the EIF Countries where these have proven to be working effectively. Where these systems are weak, concrete steps would be taken to address the constraints.

## Scope and objectives of the EIF M&E Framework

4. The EIF M&E Framework covers all activities and projects financed by the EIF Trust Fund (EITF). The objective of the M&E Framework is to provide a tool for:

- i. Ensuring **accountability** for achievement of EIF objectives;
- ii. Effective M&E of **progress in achieving results** through EIF-supported activities; and
- iii. Identifying lessons learnt for **feedback and knowledge-sharing** among all EIF partners as a basis for improving delivery of ongoing or future projects.

## Structure of the EIF M&E Framework

5. For the EIF programme, monitoring is essential, and evaluation will need to be undertaken at the programme level and in relevant cases for projects, with costs commensurate to the activities and the available budget. The EIF M&E Framework is based on logframes for specific projects funded by the EIF and a logframe for the overall programme. The approach taken allows that part of the information gathered at the project level can feed into the M&E at the programme level.

## EIF Programme

6. An EIF programme logframe has been elaborated, identifying the programme's goal, purpose and four outcomes; targets have been defined at the outcome level.<sup>3</sup> The programme will integrate outcomes at EIF Country level and monitor progress against the targets through a defined set of indicators. The programme logframe can be found in Annex IV.1; a Technical Note for the programme logframe can be found in Annex IV.2.

<sup>3</sup> No targets have been defined for indicators at the goal and purpose levels because other factors besides the EIF programme may contribute to determine whether the EIF targets were achieved.

7. The EIF programme aims at creating a strong and effective results-oriented partnership among all EIF stakeholders. This involves close cooperation amongst the current 23 donors, six Core Agencies, one Observer Agency, the Executive Secretariat (ES), the Trust Fund Manager (TFM) and other Development Partners (DPs) who are supporting the LDCs' own drive to achieve the EIF objectives:

- Mainstream trade into national development strategies;
- Set up structures needed to coordinate the delivery of Trade-related Technical Assistance (TRTA); and
- Build capacity to trade, which also includes addressing critical supply-side constraints.

8. The EIF process aims to strengthen donors' support to a country's trade agenda. LDCs can use the EIF as a vehicle to assist in coordinating donor support and to lever more Aid for Trade (AfT) resources, whereas donors can sign up to the EIF as a vehicle to deliver on their AfT commitments.

9. The programme will be assessed against the following provisions set out in the EIF programme-level logframe:

## Goal

The goal of the EIF is to support the LDCs' integration into the global trading system with a view to contributing to poverty reduction and sustainable development.

## Purpose

The purpose of the EIF is to enable EIF Countries to become fully integrated and active players in, and beneficiaries of, the global trading system through mainstreaming trade.

## Outcome<sup>4</sup>

10. Four specific outcomes have been identified:

- i. EIF Countries mainstream trade into their national development strategies and plans;
- ii. Coordinated delivery of trade-related resources (funding, technical assistance, etc.) by donors and implementing agencies to implement country priorities following the adoption of the Diagnostic Trade Integration Study (DTIS) Action Matrix;
- iii. EIF Countries secure resources in support of initiatives that address DTIS Action Matrix priorities; and
- iv. Sufficient institutional and management capacity is built in EIF Countries to formulate and implement trade-related strategies and implementation plans.

## EIF project level

11. An EIF Country is required to develop logframes for each Tier 1 'Support to National Implementation Arrangements (NIAs)' project and each Tier 2 project to be approved by the EIF Board. EIF Countries

<sup>4</sup> A number of indicators have been identified for each of the four outcomes (see the logframe for details).

are being supported by the ES to develop a light but effective monitoring system with a clear focus on results and with a limited number of SMART (specific, measurable, achievable/agreed-upon, relevant, and time-bound) indicators. Using these indicators as the basis of the monitoring system will enable EIF Countries to follow the progress towards the objectives and specific targets of the projects.

12. At the same time, information on certain core indicators for Tier 1 'Support to NIAs' projects will be used for reporting on some of the programme level logframe indicators. It is expected that all Tier 1 'Support to NIAs' projects will address institutional capacity constraints for trade mainstreaming, donor coordination on AfT and implementation of the DTIS Action Matrices.
13. Therefore, all Tier 1 'Support to NIAs' projects are expected to include the following outcomes (which are also identified at the programme level) in their project level logframes:
  - i. Building institutional and management capacity to formulate and implement trade-related strategies and implementation plans;
  - ii. Mainstreaming trade into national development strategies;
  - iii. Coordinating the delivery of TRTA and AfT; and
  - iv. Implementing DTIS Action Matrix priorities.
14. For purposes of programme-level reporting, some of the indicators for the Tier 1 'Support to NIAs' project outcomes have been pre-identified. These indicators should thus be used by all Tier 1 projects if possible.<sup>5</sup> As a prerequisite for reporting at the programme level, it is thus important that information on the project-level indicators is collected and reported in a timely manner.
15. As part of Tier 1 'Support to NIAs' projects, EIF Countries set up small National Implementation Units (NIUs) to strengthen the policy and coordination role of the trade and related departments and to lead in the preparation and implementation of the national EIF-funded projects.
16. It is expected that the project-level M&E will use national M&E systems, or expertise will be available in the NIU. Where national M&E is weak or expertise is absent or weak in the NIU, concrete steps will be taken to address the deficiencies by building the necessary capacities in the national experts as part of the ongoing capacity-building efforts in EIF Countries.
17. Each Tier 2 project will have an appropriate logframe with outcomes and indicators specific to the project and country needs. Owing to the nature of Tier 2 support, which is likely to address a wide variety of constraints, there are no pre-identified indicators that all Tier 2 project logframes should include. However, for programme-level reporting and future evaluations, the identified outcomes and indicators will be verified in the project proposals.
18. DTIS and pre-DTIS work under Tier 1 does not have a logical framework but utilizes a checklist approach (see Annex II.2 of the Compendium).

## Roles and responsibilities

19. The effectiveness of an EIF M&E Framework is dependent on having clearly defined roles and responsibilities of the different partners. The following Table 1 summarizes the roles and responsibilities of the various EIF partners on M&E as spelled out elsewhere in the Compendium and their role in the flow of reports.

<sup>5</sup> For Tier 1 'Support to NIAs' projects already approved and under implementation, the indicators required at the programme level will need to be monitored through other means than the MIE reporting and project implementation.

Table 1: Roles and responsibilities for M&E and reporting across the EIF Partnership

Partner	Key Roles and Responsibilities in M&E	Role in Reporting
EIF Steering Committee (EIFSC)	<ul style="list-style-type: none"> <li>■ Provides strategic advice and guidance to the EIF stakeholders on the implementation of the programme and its overall goals, as well as provides a forum for transparency, information and experience exchanges.</li> </ul>	<ul style="list-style-type: none"> <li>■ Receives annual progress reports from the EIF Board.</li> </ul>
EIF Board	<ul style="list-style-type: none"> <li>■ Monitors performance of the ES and the TFM and adopts corrective measures.</li> <li>■ Adopts and revises the policy for M&amp;E for the EIF Partnership.</li> <li>■ Oversees the M&amp;E Framework.</li> <li>■ Establishes TOR for external studies and evaluations.</li> </ul>	<ul style="list-style-type: none"> <li>■ Presents annual progress report to the EIFSC.</li> <li>■ Receives annual progress reports from the ES and the TFM.</li> <li>■ Receives quarterly financial reports from the TFM (via the ES).</li> <li>■ Receives annual certified statements from the TFM (via the ES).</li> <li>■ Receives project completion reports from the TFM (via the ES).</li> <li>■ Receives final programme reports and financial statements (via the ES).</li> </ul>
EIF Executive Secretariat (ES)	<ul style="list-style-type: none"> <li>■ Establishes the baseline for the programme-level logframe indicators and provides yearly updates on the indicators; this will be used for the annual progress reports; the ES will be supported in this work by the TFM and external support as needed.</li> <li>■ Together with the TFM, supports (as needed) NIUs in setting the baseline for projects where the NIU is the MIE.</li> <li>■ Coordinates and supervises the evaluation of projects, including external evaluations at the programme level.</li> </ul>	<ul style="list-style-type: none"> <li>■ Coordinates reporting to the EIF Board by all partners, including Main Implementing Entities (MIEs) at project level.</li> <li>■ Reports results at the programme and country levels annually to the EIF Board.</li> <li>■ Receives annual reports from the TFM on project implementation, resource utilization, activities, outputs and outcomes for all projects from a managerial, financial and fiduciary perspective.</li> <li>■ Receives semi-annual and annual progress reports from the NIU for those Tier 1 and Tier 2 projects for which the NIU is the MIE; for multi-year Tier 1 'Support to NIAs' projects under government implementation, these reports are prepared by the FP/NIU and address the implementation of EIF activities in-country; this report also includes donor coordination issues and is countersigned by the DF.</li> <li>■ Receives annual light reports every twelve months, starting six months after the implementation of EIF activities in-country. This interim report, which is to also include donor coordination issues and is to be countersigned by the DF, is to be prepared by the FP/NIU to highlight problems that may threaten the achievement of the objectives during the next reporting cycle.</li> </ul>

Partner	Key Roles and Responsibilities in M&E	Role in Reporting
<b>EIF Trust Fund Manager (TFM)</b>	<ul style="list-style-type: none"> <li>▪ Regularly monitors and analyzes the project portfolio, particularly on managerial, financial and fiduciary issues, in collaboration with the ES on technical/programmatic aspects.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Reports quarterly via the ES to the EIF Board on expenditures on financial commitments, utilization of resources and activities implemented from a managerial, financial and fiduciary perspective.</li> <li>▪ Receives semi-annual and annual progress reports from the NIU for those Tier 1 and Tier 2 projects for which the NIU is the MIE; for multi-year Tier 1 'Support to NIAs' projects under government implementation, these reports are prepared by the FP/NIU and address the implementation of EIF activities in-country; this report also includes donor coordination issues and is countersigned by the DF.</li> <li>▪ Submits project completion reports via the ES to the EIF Board.</li> <li>▪ Receives annual light reports every twelve months, starting six months after the implementation of EIF activities in-country. This interim report, which is to also include donor coordination issues and is to be countersigned by the DF, is to be prepared by the FP/NIU to highlight problems that may threaten the achievement of the objectives during the next reporting cycle.</li> <li>▪ Receives reports from the MIEs as specified in the relevant legal agreements.</li> </ul>
<b>EIF Focal Point (FP)/National Implementation Units (NIUs)</b>	<ul style="list-style-type: none"> <li>▪ Establishes the baseline for the Tier 1 project logframe indicators, as well as the yearly update on the indicators that will be used for the annual progress report (if MIE); in this task, the NIU will be supported by the ES and the TFM as needed.</li> <li>▪ Is responsible for internal project monitoring (if MIE).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Submits quarterly financial, semi-annual and annual progress reports to the ES and the TFM for Tier 1 and Tier 2 projects (if MIE); for multi-year Tier 1 'Support to NIAs' projects under government implementation, these reports are to include donor coordination issues and are to be countersigned by the DF.</li> <li>▪ Submits a light report every twelve months, starting six months after the implementation of EIF activities in-country to the ES/TFM (if MIE). This interim report, which is to also include donor coordination issues and is to be countersigned by the DF, is to be prepared by the FP/NIU, to highlight problems that may threaten the achievement of the objectives during the next reporting cycle.</li> <li>▪ Submits project completion reports to the TFM.</li> <li>▪ Submits annual audit reports to the TFM.</li> </ul>
<b>Main Implementing Entity (MIE)</b>	<ul style="list-style-type: none"> <li>▪ Establishes the baseline for projects and provides yearly updates on the indicators that will be used for the annual progress report.</li> <li>▪ Is responsible for internal monitoring of the projects.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Reports to the TFM semi-annually, annually and upon completion on project implementation in terms of funds utilized, activities implemented, outputs delivered and outcomes achieved on Tier 1 and Tier 2 projects.</li> <li>▪ Submits progress, financial and project completion reports to the TFM.</li> </ul>

# Monitoring and Evaluation

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## Baseline

20. Baseline data allows a better assessment of the success or failure of the EIF programme by providing for any differences in outcome across phases of programme implementation. Baselines will be established for the indicators in the EIF programme logframe (backdating to the beginning of the programme, i.e., 2009) and for the indicators of each of the Tier 1 and Tier 2 projects. Roles of the various partners in setting the baseline have been included in Table 1 above.

## Monitoring

21. The obligation of the NIUs to report progress to the ES that will feed into the ES M&E Framework would provide a strong incentive to improve the design and implementation of EIF programmes and focus on managing for results. NIUs will submit at least one monitoring progress report per year, which will be validated at the level of the ES.

## Evaluations

22. The EIF evaluation process has the following elements:

### Mid-term review

23. The main purpose of the mid-term review is to confirm whether the programme is performing towards achieving the targets set and to take remedial action where the programme might not be on track. The purpose of the mid-term review is also to inform the decision by the partnership whether the EIF programme is to be extended for a second five-year phase.

### Final evaluation

24. The purpose of the final evaluation is to take stock of the results achieved by the EIF programme over its five-year implementation span and to identify lessons learned, which would inform the design of the second phase, if a second phase is to be pursued.

## Tier 1 projects

25. All Tier 1 projects will be evaluated after the first phase. For those projects for which funding for a second phase (Years 4 and 5) is sought, this evaluation will inform the design and decision-making for the extension of the project. Tier 1 projects that are extended will also undergo a final evaluation to assess whether the intended results have been achieved. Evaluation costs for Tier 1 projects should normally be covered by the project budget; however, the EIFTF may supplement the amount budgeted in exceptional cases if deemed necessary.

## Tier 2 projects

26. As a minimum, the first ten completed projects will be evaluated. For Tier 2 projects completed thereafter, evaluations will be conducted for a sample of projects. The evaluation of the first ten Tier 2 projects at the beginning will provide a maximum of lessons to inform project design, development and implementation for the future. Evaluation costs for Tier 2 project should normally be covered by the project budget.
27. The responsibility to coordinate the evaluation of projects and supporting external evaluation at the programme level rests with the ES with support from the TFM where required. The following Table 2 summarizes the evaluation at EIF programme and project levels.

Table 2: Evaluation services – procurement and funding

Level	Frequency	Procurement of Evaluation Services	Funding Source for Evaluation
EIF programme	<ul style="list-style-type: none"> <li>▪ Mid-term review.</li> <li>▪ Final evaluation.</li> </ul>	Competitive/open bidding based on TOR approved by the EIF Board.	EIFTF.
Tier 1 'Support to NIAs' projects	<p>All projects (assuming that these are for five years with only three approved by the EIF Board initially):</p> <ul style="list-style-type: none"> <li>▪ Evaluation 2.5 years from start to feed into the decision for an extension.</li> <li>▪ Final evaluation (after five years if project is extended).</li> </ul>	<p>ES to provide guidelines and endorse the final TOR for the evaluation.</p> <p>Procurement to follow country procedures, but must be:</p> <ul style="list-style-type: none"> <li>▪ Open tender process.</li> <li>▪ Service providers independent of MIE and other government agencies (e.g., a national audit office).</li> </ul>	Tier 1 project budget, to be supplemented as necessary by the EIFTF.
Tier 2 projects – first 10 projects	<p>All projects:</p> <ul style="list-style-type: none"> <li>▪ Mid-term evaluation, as specified in the relevant project agreement.</li> <li>▪ Final evaluation.<sup>5</sup></li> </ul>	<p>MIE to elaborate TOR in cooperation with the ES; the ES and the TFM to endorse the final TOR.</p> <p>Procurement to follow procedures of the MIE; if national MIE, to follow country procedures, but must be:</p> <ul style="list-style-type: none"> <li>▪ Open tender process.</li> <li>▪ Service providers independent of MIE.</li> </ul>	Tier 2 project budget.
Tier 2 projects from the 11 <sup>th</sup> approved project onwards	<p>Sample (x per cent):</p> <ul style="list-style-type: none"> <li>▪ Final evaluation.<sup>6</sup></li> </ul>	<p>MIE to elaborate TOR in cooperation with the ES; the ES and the TFM to endorse the final TOR.</p> <p>Procurement to follow procedures of the MIE; if national MIE, to follow country procedures, but must be:</p> <ul style="list-style-type: none"> <li>▪ Open tender process.</li> <li>▪ Service providers independent of MIE.</li> </ul>	Tier 2 project budget.

<sup>6</sup> The final evaluation is expected to commence before the project is concluded.

28. In line with the principle that the EIF will be run according to the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action,<sup>7</sup> the external evaluation will be approached to ensure country ownership of the process. Therefore, TOR, which will be designed for the different levels of external evaluation, will take into consideration the two documents below that spell out the OECD/DAC principles for the evaluation of development assistance and OECD/DAC quality standards for development evaluation. Annex IV.4 gives a summary of the OECD/DAC criteria for evaluating development assistance.

1. OECD/DAC Principles for Evaluation of Development Assistance  
<http://www.oecd.org/dataoecd/13/60/45438179.pdf>
2. OECD/DAC Quality Standards for Development Evaluation  
[http://www.oecd.org/document/29/0,3343,en\\_2649\\_34435\\_45124317\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/29/0,3343,en_2649_34435_45124317_1_1_1_1,00.html)

## Conclusion

29. The EIF is a complex and ambitious global partnership. Relatively modest funds invested on a per-country basis are intended to be catalytic to the integration of trade and sustainable development strategies. The challenge for the EIF Partnership is to ensure that there are adequate resources allocated and a clear M&E Framework to ensure that the ES, the TFM and the EIF partners both in their own capacity and jointly can manage for results.

30. To adequately implement the EIF M&E Framework across a programme that has more than 40 beneficiaries at different stages of the programme, it is important that M&E capacity be built at the country level, which will require ongoing support to embed the results orientation into the national EIF programmes. Therefore, it is important that the ES, the TFM and/or the MIEs will provide *ex ante* support on M&E in the project design phase, as well as during project implementation. The agenda for support and capacity building for M&E will be based on the specific needs and provided using internal and external resources as is seen fit by the ES expert on M&E. One element of such capacity building is a module in the EIF Capacity-Building Programme, which is planned to be available from the end of 2011.

For M&E-specific information, go to: [www.enhancedif.org](http://www.enhancedif.org) – EIF toolbox – Monitoring and evaluation.

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<sup>7</sup> <http://www.oecd.org/dataoecd/11/41/34428351.pdf>





## Annex IV.1: EIF programme logframe

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This programme-level logical framework is intended to report on aggregate activities and outcomes at project level and to report on the identification of country priorities and resource mobilization across the EIF programme.

The M&E Framework states that the specific objectives and key results of the EIF are to:

- Mainstream trade into national development plans and PRSPs;
- Set up structures needed to coordinate the delivery of TRTA; and
- Build capacity to trade, which also includes addressing critical supply-side constraints.

In this context, **trade mainstreaming** means:

Integrating trade into national development plans and PRSPs and the operationalization of the trade coverage thereof, including through the incorporation of trade into sectoral strategies and action plans, intra-governmental and government–private sector relations, as well as government–donor relations and the national budget.

For further information on the EIF programme and a glossary of EIF terms, please refer to the EIF Compendium.

Note:

This logframe is accompanied by a Technical Note, which provides explanations for the five-point scoring system.

It was agreed that no targets would be set for the programme goal and purpose levels and that at the end of the programme, as well as at a future impact evaluation stage, the actual situation would be recorded against the baseline. It was also agreed that this logic would be applied to the Tier 1 logframes used in the countries for Tier 1 ‘Support to NIAs’ projects.

Goal	Context Indicators	Baseline	Target (ten years out)	Source/Frequency	Assumptions/Risks/Notes
LDCs' integration into the global trading system with a view to contributing to poverty reduction and sustainable development	G1. LDC Members of WTO who have completed the accession process.	31 December 2009. 32 Members and 12 in accession.		Annual update from WTO.	It is recognized that the EIF may contribute towards progress on the context indicators but that direct attribution at this level cannot be established. No LDC that is active in the EIF moves into conflict or suffers from a major disaster (environment, food shortage, etc). Capacity building at country level has included strategic planning assessment and implementation approaches for gender, poverty and the environment.
	G2. Per cent share of international non-oil trade from LDCs.	31 December 2009.		Annual update.	
	G3. Poverty head count.	31 December 2009 or latest (tracked for each country).		National statistics. Disaggregated data for gender.	
	G4. Per capita growth rate.	31 December 2009 or latest (tracked for each country).		National statistics.	
	G5. Gini-coefficient.	31 December 2009 or latest (tracked for each country).		National statistics.	

Purpose	Context Indicators	Baseline	Target (end of programme phase)	Source/Frequency	Assumptions/Risks/Notes
To enable EIF Countries to become fully integrated and active players in, and beneficiaries of, the global trading system through mainstreaming trade.	P1. Value of non-oil goods traded.	3-year average as at 31 December 2009.		Customs data (collected quarterly) – COMTRADE database.	It is recognized that the EIF should contribute towards progress on the context indicators. As these performance indicators on trade are influenced by many variables, a direct link between the EIF programme in EIF Countries and the results to be measured through the indicators cannot be established.

Purpose	Context Indicators	Baseline	Target (end of programme phase)	Source/Frequency	Assumptions/Risks/Notes
	P2. Non-oil goods trade diversification.	3-year average as at 31 December 2009.		Customs data (collected quarterly) – COMTRADE database. (Note: WTO has data on this in the AfT country fact sheets).	The meaning of the term non-traditional exports is context-sensitive.
	P3. Logistics performance Index (LPI).	3-year average as at 31 December 2009.		World Bank Logistics Performance Index.	NOTE: The LPI 2010 includes only 37 LDCs; the following were NOT covered: Burundi, Cape Verde, Central African Republic, Equatorial Guinea, Kiribati, Lesotho, Malawi, Mauritania, Samoa, São Tomé and Príncipe, Timor-Leste, Tuvalu and Vanuatu.
	P4. World Bank Doing Business – trading across borders.	3-year average as at 31 December 2009.		World Bank Doing Business database.	
	P5. Employment in non-traditional export sectors.	3-year average as at 31 December 2009.	P5.	National statistics. World Bank data. Gender disaggregated if possible.	Data issues? Non-traditional is defined by a country context.
	P6. SMEs registered for import and export trade.	3-year average as at 31 December 2009.		National Statistics. Where possible, disaggregated by gender of CEO/registrant.	Data issues?

Outcome 1	Indicators	Baseline	Target (end of programme phase)	Source/Frequency	Assumptions/Risks/Notes
Sufficient institutional and management capacity built in EIF Countries to formulate and implement trade-related strategies and implementation plans	Ol.1. Tier 1 'Support to NIAs' project completed or under implementation in EIF Countries.	December 2009. (pre-DTIS, DTIS, DTIS update, 'Support to NIAs' preparation, support to NIA approved.)	That all EIF Board-agreed EIF Countries have an approved Tier 1 'Support to NIAs' project by 2013. All three-year EIF Board-approved Tier 1 'Support to NIAs' projects extended to full five years.	ES documentation updated on an annual basis.	Need to differentiate those countries in different stages of the EIF process. First target excludes countries that suspend the EIF programme. Second target under condition that proposals for extension of the Tier 1 'Support to NIAs' projects have been submitted for approval by the EIF Countries. Active = those with either pre-DTIS, DTIS or 'Support to NIAs' project activities. Sufficient funds in EIFTF to include all LDCs that wish to join the EIF for a five-year programme.
	Ol.2. Number (and per cent) of active EIF Countries with complete, up-to-date (less than three years old) validated DTIS Action Matrices.	December 2009.	100 per cent of active EIF Countries post-DTIS validation phase.	DTIS and Action Matrices. FP/NIU reports.	
	Ol.3. Level of capacity of the NIU to perform fiduciary programme management function for Tier 1 'Support to NIAs' project.	Status of initial Tier 1 TFM capacity assessment, as captured in the EIF Board approval letter.	That more than 80 per cent of the EIF Countries with Tier 1 'Support to NIAs' projects under implementation have at least a good level of capacity (five-point scale). Capacity plans agreed (by TFM and ES) for those countries that do not meet the satisfactory standard.	TFM supervision reports; other documents as available, e.g., NIU reports and consultations with relevant EIF stakeholders (NIU, FP, DF and other DPs).	

Outcome 1	Indicators	Baseline	Target (end of programme phase)	Source/Frequency	Assumptions/Risks/Notes
	Ol.4. Number of EIF Countries with up-to-date (not older than five years) trade strategies.	Baseline.	All EIF Countries with Tier 1 'Support to NIAs' projects have a strategy.	Trade Policy Reviews (TPRs) and other relevant information from, e.g., export strategies (ITC), trade policy papers (UNCTAD) or World Bank (CEMs). Other reports. Ministry website.	
	Ol.5. Number of EIF Countries with quality trade strategies.	December 2009.	80 per cent of EIF Countries with Tier 1 'Support to NIAs' projects have a strategy that is at satisfactory level or above.  Others have an agreed plan to develop such strategies.	TPRs (for WTO Accession Countries may not yet be ready). Government strategy documents. External assessments of strategies, including by the ES if necessary.	Quality assessments are made through the TPR process for Members of the WTO or by other institutions.  If there is no assessment yet, the ES will assess the strategy.
	Ol.6. Number of EIF Countries with quality trade strategy implemented.	December 2009.	50 per cent of EIF Countries with Tier 1 'Support to NIAs' projects have at least satisfactory implementation of trade strategy. These include Benin, Cambodia, Cape Verde, Central African Republic, Djibouti, The Gambia, Lao PDR, Liberia, Maldives, Mali, Nepal, Niger, Rwanda, Senegal, Sierra Leone, Tanzania, Togo, Uganda and Zambia.	TPRs (for WTO Accession Countries may not yet be ready). Government strategy documents. External assessments of strategy, including by the ES if necessary.	The target list of countries is based on an assessment by the ES Coordinators in July 2011 and subject to change owing to reasons beyond the ES's control.

Outcome 1	Indicators	Baseline	Target (end of programme phase)	Source/ Frequency	Assumptions/ Risks/Notes
	OI.7. Number of EIF-funded projects achieving the expected results.		80 per cent of Tier 1 and Tier 2 projects are externally evaluated as satisfactory or above.		Technical Note to be prepared; the external assessment needs to be linked to the M&E Framework and DAC evaluation standards.  Decision on whether to externally evaluate projects depends <i>inter alia</i> on size.

Outcome 2	Indicators	Baseline	Target (end of programme phase)	Source/Frequency	Assumptions/Risks/Notes
EIF Countries mainstream trade into their national development strategies and plans <sup>8</sup>	O2.1. Trade in PRSP and/or national development strategies	Use UNDP 2008 'Trade and Poverty Reduction – the Role of Trade Policy in PRSPs' as one of the possible sources for establishing a baseline.	That all EIF Countries with Tier 1 'Support to NIAs' projects have trade mainstreamed satisfactorily (five-point scale). These include Benin, Burundi, Cambodia, Cape Verde, Djibouti, Democratic Republic of the Congo, The Gambia, Guinea, Guinea-Bissau, Lao PDR, Lesotho, Liberia, Malawi, Maldives, Mali, Mozambique, Nepal, Rwanda, Sierra Leone, Tanzania, Uganda, and Zambia.	NIU/FP/DF reports. PRSPs and national development strategies. TPRs where available. Other reports/assessments of trade mainstreaming.	The target list of countries is based on an assessment by the ES Coordinators in July 2011 and subject to change owing to reasons beyond the ES's control.
	O2.2. Existence of productive sector strategies for key sectors, integrating the trade dimension.	31 December 2009.	That all EIF Countries with Tier 2 projects have trade incorporated in 80 per cent of relevant sector strategies.	NIU/FP/DF reports. Sectoral strategies.	The following sector strategies (if available) will be scanned for trade mainstreaming: agriculture/rural development, industry, energy, transport, tourism, specific commodities (e.g., coffee, tea, cacao, cashew, cotton and horticulture), extractive industries, intellectual property, FDI; other sector strategies upon recommendation by the FP or the NIU.

<sup>8</sup> This is an outcome for those EIF Countries that are at the DTIS Action Matrix phase, i.e., likely to have taken up a Tier 1 'Support to NIAs' project.

Outcome 2	Indicators	Baseline	Target (end of programme phase)	Source/Frequency	Assumptions/Risks/Notes
	O2.3. Functioning public/private consultation mechanism.	31 December 2009.	That all EIF Countries with Tier 1 'Support to NIAs' projects have satisfactory public/private consultation mechanisms in place; in at least 50 per cent of the countries, these mechanisms rate very good or good (five-point scale).	Assessment through existing information if available (e.g., World Bank, ITC or AfT documents) or, if necessary, independent survey of private sector satisfaction with consultation mechanism (categories: mechanism is positive, has some benefit, or none). Assessment for baseline, at mid-term and at the end of the project.	Private sector willing to engage in review exercises.

Outcome 3	Indicators	Baseline	Target (end of programme phase)	Source/Frequency	Assumptions/Risks/Notes
Coordinated delivery of trade-related resources (funding, Technical Assistance, etc.) by donors and implementing agencies to implement country priorities following the adoption of the DTIS Action Matrix. <sup>9</sup>	O3.1. Availability of an annual rolling implementation overview integrating all trade-related government and donor-supported activities (where applicable, identifying activities specifically addressing gender and the environment).	31 December 2009.	Annual publicly available overview for trade-related funding in 80 per cent of active EIF Countries and all EIF Countries with Tier 1 projects.	EIF Country government.	That in-country donors are willing to operate in a coordinated manner, both those involved in the EIFTF and other bilateral development partners, as well as NGOs and philanthropic organizations.
	O3.2. Frequency of government and donor consultations on trade-related matters.	31 December 2009.	All EIF Countries with Tier 1 'Support to NIAs' projects have at least satisfactory donor/government consultation mechanisms and 50 per cent have good mechanisms (five-point scale).	NIU/FP reports; if necessary, ES to ask FP/NIU/DF for this information. AfT Questionnaire reports.	
	O3.3. UN CEB Cluster activities are based on DTIS Action Matrix priorities in EIF Countries.	31 December 2009.	100 per cent of EIF Countries where the Cluster is active.	NIU/FP reports. Programme evaluations.	EIF and the UN CEB Cluster are able to organize in a synchronized manner. Currently, the Cluster is active in the following LDCs: Afghanistan, Bhutan, Cape Verde (graduated, but still EIF Country), Comoros, Haiti, Lao PDR, Lesotho, Madagascar, Malawi, Mali, Mozambique, Rwanda and Tanzania. Government and donor agreement required for individual countries.

<sup>9</sup> This is an outcome for those EIF Countries that are at the DTIS Action Matrix phase, i.e., likely to have taken up a Tier 1 'Support to NIAs' project.

Outcome 3	Indicators	Baseline	Target (end of programme phase)	Source/Frequency	Assumptions/Risks/Notes
	O3.4. Number of countries with joint donor initiatives in the trade area (such as needs assessments; strategy formulations; programming; pooled funding; M&E; etc.).	31 December 2009.	That all EIF Countries with Tier 1 'Support to NIAs' projects have joint donor initiatives in the trade area.	AfT monitoring report (based on donor and country questionnaires). For EIF Countries that have not replied to the AfT Questionnaires, the ES will collect the EIF-relevant information directly from the governments.	Track this with identification of case studies for lesson-learning.

Outcome 4	Indicators	Baseline	Target (end of programme phase)	Source/Frequency	Assumptions/Risks/Notes
EIF Countries secure resources in support of initiatives that address DTIS Action Matrix priorities <sup>10</sup>	O4.1. Number of EIF Countries with implementation plan integrating DTIS/Action Matrix priorities and indicating financing needs to be met through ODA.	31 December 2009.	All EIF Countries with Tier 1 'Support to NIAs' projects and Tier 2 projects have a satisfactory medium-term programme linked to the DTIS Action Matrix and the PRSP/ national development plan (five-point scale).	DTIS Action Matrix , medium-term programme. FP/NIU reports. AfT monitoring report (AfT partner country self-assessments).	
	O4.2. Number of EIF Countries where a government budget exists for the implementation of its trade strategy.	31 December 2009.	100 per cent.		
	O4.3. AfT flows to EIF Countries.	31 December 2009.	Commitments for AfT for the medium-term programme are monitored annually in all EIF Countries with Tier 1 and Tier 2 projects.	AfT monitoring report/OECD CRS.	That financial resources will be available at reasonable levels during the time-frame of the EIF. Quality of data from the OECD.
	O4.4. Number and amount of projects funded by donors related to the DTIS Action Matrix.	31 December 2009.	One per year per EIF Country.		

<sup>10</sup> This is an outcome for those EIF Countries that are at the DTIS Action Matrix phase, i.e., likely to have taken up a Tier 1 'Support to NIAs' project.





## Annex IV.2: Technical Note for the programme logframe

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# EIF Technical Note on the Logical Framework at the Programme Level

## Guidelines for the Five-Point Standards to be used for the Logical Framework Baselines and Reporting

### Introduction

For seven indicators, the EIF programme-level logframe proposes the use of a five-point scale. This note sets out to describe the standards used for the five categories in the seven indicators. Below are the five categories for the scale.

Colour	Category
1	Very good
2	Good
3	Satisfactory
4	Deficient
5	Unsatisfactory

### Linking Programme Logframe and Multi-year Tier 1 Project Logframe Reporting

At the outcome level, each logframe for the multi-year Tier 1 projects will address the four outcomes around country capacity to deliver mainstreaming, donor coordination and Tier 2 implementation, and in addition, the logframe will include indicators reflecting the individual situation in the country. It is critical to allow this diversity of indicators, while it is also clear that the EIF programme must be able to summarize information from different sources and provide a status report to the EIF Board and other stakeholders.

To facilitate this, a number of indicators at the programme level will use a 'five-point' scoring system, which will involve the use of non-qualitative data, such as FP/NIU self-assessment, TFM assessments, etc.

Outcome 1, Indicator 3 <sup>11</sup>	Baseline	Target
Level of capacity of the NIU to perform <b>fiduciary programme management</b> function for Tier 1 'Support to NIAs' projects	Status of initial Tier 1 TFM capacity assessment, as captured in the EIF Board approval letter.	That 80 per cent of the EIF Countries with Tier 1 'Support to NIAs' projects under implementation have at least a satisfactory level of capacity (five-point scale).  Capacity plans agreed (by TFM and ES) for those countries that do not meet the satisfactory standard.

Colour	Category	Standard
1	Very good	<p>Country programme operating efficiently and effectively, meeting <u>all or most</u> milestones on fiduciary programme management, including:</p> <ul style="list-style-type: none"> <li>■ <b>TFM recommendations:</b> Meeting all or most TFM recommendations from the EIF Board approval process and as may arise from ongoing supervision, as determined by the TFM.</li> <li>■ <b>Audits:</b> (a) Financial audits undertaken by timeline specified in legal agreement; and (b) satisfactory financial audit reports issued for Tier 1 project.</li> <li>■ <b>Reporting:</b> (a) All reports submitted by timelines specified in legal agreement; and (b) all financial reports are accurate and comprehensive.</li> <li>■ <b>Recruitment:</b> All recruitments undertaken following the agreed-upon recruitment plan and procedures in a transparent and efficient manner (as specified in the TFM CAR and project proposal).</li> <li>■ <b>Procurement:</b> All procurement undertaken following the agreed-upon procurement plan and procedures in a transparent and efficient manner (as specified in the TFM CAR and project proposal).</li> <li>■ <b>Financial management:</b> Financial management undertaken following the agreed-upon procedures in a transparent and efficient manner (as specified in the TFM CAR and project proposal).</li> <li>■ <b>Sustainability of fiduciary management skills and practice:</b> Full fiduciary supervision exercised by the FP and the NIU (as specified in the TFM CAR and project proposal), including support to the NIU by the FP, engagement of the FP with the EIF, engagement of government officials, transfer of skills and knowledge.</li> </ul>
2	Good	<p>Country programme meeting <u>key</u> milestones on fiduciary programme management, including:</p> <ul style="list-style-type: none"> <li>■ <b>TFM recommendations:</b> Meeting key TFM recommendations from the EIF Board approval process and as may arise from ongoing supervision, as determined by the TFM.</li> <li>■ <b>Audits:</b> (a) Financial audits undertaken by timeline specified in legal agreement; and (b) satisfactory financial audit reports issued for Tier 1 project with areas for improvement being linked to capacity plan.</li> <li>■ <b>Reporting:</b> (a) All reports submitted by timelines specified in legal agreement; and (b) financial reports are accurate and comprehensive, requiring minimal back and forth for final reports to be produced.</li> <li>■ <b>Recruitment:</b> Recruitments undertaken substantially following the agreed-upon recruitment plan and procedures in a transparent and efficient manner (as specified in the TFM CAR and project proposal).</li> <li>■ <b>Procurement:</b> Procurement undertaken substantially following the agreed-upon procurement plan and procedures in a transparent and efficient manner (as specified in the TFM CAR and project proposal).</li> <li>■ <b>Financial management:</b> Financial management undertaken substantially following the agreed-upon procedures in a transparent and efficient manner (as specified in the TFM CAR and project proposal).</li> <li>■ <b>Sustainability of fiduciary management skills and practice:</b> Fiduciary supervision substantially exercised by the FP and the NIU (as specified in the TFM CAR and project proposal), including support to the NIU by the FP, engagement of the FP with the EIF, engagement of government officials, transfer of skills and knowledge.</li> </ul>

<sup>11</sup> For this indicator, please refer to Project Appraisal for Tier 1 – 'Support to NIAs' projects; and Project appraisal and assessment of recipients' capacities – TFM TOR for the baseline exercise; as well as Recommendations on strengthening fiduciary capacities, and Monitoring and Evaluation, in the TFM TOR for the ongoing monitoring of projects.

Colour	Category	Standard
3	Satisfactory	<p>TFM <u>basic</u> requirements for disbursement of Tier 1 funds met, including at least five of the following criteria:</p> <ul style="list-style-type: none"> <li>▪ <b>TFM recommendations:</b> Meeting some of the TFM recommendations from the EIF Board approval process and as may arise from ongoing supervision, though with a plan in place to achieve compliance within a set time-frame, as determined by the TFM.</li> <li>▪ <b>Audits:</b> (a) Financial audits undertaken with some delays; and (b) satisfactory financial audit reports issued for Tier 1 project but with minor issues.</li> <li>▪ <b>Reporting:</b> (a) Reports submitted with minor delays; and (b) financial reports are satisfactory, though requiring substantial back and forth for final reports to be produced.</li> <li>▪ <b>Recruitment:</b> Recruitments undertaken within six months of the first disbursement with minor issues and delays, as compared to the recruitment plan.</li> <li>▪ <b>Procurement:</b> Procurement undertaken with minor issues and delays, as compared to the procurement plan.</li> <li>▪ <b>Financial management:</b> Financial management undertaken with minor issues, but a corrective plan of action is agreed upon.</li> <li>▪ <b>Sustainability of fiduciary management skills and practice:</b> Fiduciary supervision exercised by the FP and the NIU with repeated weaknesses (as specified in the TFM CAR and project proposal), including support to the NIU by the FP, engagement of the FP with the EIF, engagement of government officials, transfer of skills and knowledge.</li> </ul>
4	Deficient	<p>Issues could be failure to comply with criteria listed above, including the set-up of the NIU and recruitment of personnel as per the recruitment plan within six months of Tier 1 approval, failure to meet TFM set-up requirements or reporting requirements or an adverse audit opinion. This would initiate an active plan of capacity support to the country programme to ensure the move to a satisfactory position.</p>
5	Unsatisfactory	<p>This would cover major issues, e.g., financial management failure or failure to set the NIU up within 12 months of Tier 1 approval. This may result in EIF operations in-country being put on hold until the issue is resolved.</p> <p>A country could also be 'flagged' red if it has not improved following a concerted programme of capacity support after being 'flagged' amber.</p>

Outcome 1, Indicator 5:	Baseline	Target
Number of EIF Countries with quality trade strategies	31 December 2009.	80 per cent of EIF Countries with Tier 1 'Support to NIAs' projects have a strategy that is at satisfactory level or above. Others have an agreed plan to develop such strategies.

Colour	Title	Standard
1	Very good	<p>It is expected that a "very good" trade strategy fulfils the eight conditions below; however, a trade strategy can still be labelled "very good" if it fulfils Conditions 1 to 5 and at least one of 6, 7 and 8:</p> <ol style="list-style-type: none"> <li>1. Is formally approved and published.</li> <li>2. Targets national competitiveness (i.e., identifies comparative and competitive advantages) and productivity improvements.</li> <li>3. Follows a sector-by-sector approach, including reference to quality standards.</li> <li>4. Identifies links with poverty, gender and the environment.</li> <li>5. Has had an effective stakeholder process during development.</li> <li>6. Link to other formally adopted national strategies.</li> <li>7. Identifies key target markets including reference to bilateral, regional and multilateral trade arrangements.</li> <li>8. Includes issues relating to trade facilitation and infrastructure.</li> </ol>
2	Good	<p>It is expected that a "good" trade strategy fulfils the eight Conditions below; however, a trade strategy can still be labelled "good" if it fulfils Conditions 1 to 4 and at least one of 5, 6 and 7:</p> <ol style="list-style-type: none"> <li>1. Is formally approved and published.</li> <li>2. Targets national competitiveness.</li> <li>3. Follows a sector-by-sector approach, including reference to quality standards.</li> <li>4. Has had an effective stakeholder process during development.</li> <li>5. Identifies links with poverty, gender and the environment.</li> <li>6. Identifies key target markets.</li> <li>7. Includes issues relating to trade facilitation and infrastructure.</li> </ol>
3	Satisfactory	<p>A trade strategy that:</p> <ol style="list-style-type: none"> <li>1. Is formally approved and published.</li> <li>2. Targets national competitiveness.</li> <li>3. Follows a sector-by-sector approach, including reference to quality standards.</li> <li>4. Has had an effective stakeholder process during development.</li> </ol>
4	Deficient	The trade strategy is under development OR is missing one or more of the key elements listed under satisfactory.
5	Unsatisfactory	There is no trade strategy.

Outcome 1, Indicator 6:		
Number of EIF Countries with quality trade strategies implemented	31 December 2009.	50 per cent of EIF Countries with Tier 1 'Support to NIAs' projects have at least satisfactory implementation of a trade strategy. These include Benin, Cambodia, Cape Verde, Central African Republic, Djibouti, The Gambia, Lao PDR, Liberia, Maldives, Mali, Nepal, Niger, Rwanda, Senegal, Sierra Leone, Togo, Tanzania, Uganda, and Zambia. The target list of countries is based on an assessment by the ES Coordinators in July 2011 and subject to change owing to reasons beyond the ES's control.

Colour	Category	Standard
1	Very good	<ol style="list-style-type: none"> <li>1. Implementation plan established with clear and measureable indicators.</li> <li>2. Mechanism to revise implementation plan established.</li> <li>3. Implementation on target/as foreseen.</li> </ol>
2	Good	<ol style="list-style-type: none"> <li>1. Implementation plan established with clear and measureable indicators.</li> <li>2. Mechanism to revise implementation plan considered.</li> <li>3. Progress in implementation (65 per cent or above of plan are implemented as foreseen).</li> </ol>
3	Satisfactory	<ol style="list-style-type: none"> <li>1. Implementation plan established with clear and measureable indicators.</li> <li>2. Progress in implementation (50 per cent or above of plan are implemented as foreseen).</li> </ol>
4	Deficient	<ol style="list-style-type: none"> <li>1. Implementation plan not agreed with clear and measureable indicators.</li> <li>2. Little progress in implementation; only a couple of priorities addressed if at all.</li> </ol>
5	Unsatisfactory	There is no implementation plan.

Outcome 2, Indicator 1:	Baseline	Target
Trade in PRSP and/or national development strategies	Use UNDP 2008 <i>“Trade and Poverty Reduction; The Role of Trade Policy in Poverty Reduction Strategy Papers”</i> as one of the possible sources of establishing a baseline.	That all EIF Countries with Tier 1 ‘Support to NIAs’ projects have trade mainstreamed satisfactorily; these include Benin, Burundi, Cambodia, Cape Verde, Djibouti, Democratic Republic of the Congo, The Gambia, Guinea, Guinea-Bissau, Lao PDR, Lesotho, Liberia, Malawi, Maldives, Mali, Mozambique, Nepal, Rwanda, Sierra Leone, Tanzania, Uganda and Zambia.  The target list of countries is based on an assessment by the ES Coordinators in July 2011 and subject to change owing to reasons beyond the ES’s control.

The EIF Compendium uses ‘trade mainstreaming’ as follows: ‘Integrating trade into national development and poverty reduction strategies and the operationalization of the trade coverage thereof, including through the incorporation of trade into sectoral strategies and action plans and budgets, intra-governmental and government/private sector relations, as well as government–donor relations.’

Colour	Category	Standard
1	Very good	<p>Trade has been fully integrated into national development and poverty reduction strategies and has therefore been included into sector strategies and action plans with appropriate budget allocations. It is expected that mainstreaming at a “very good” level fulfils the nine Conditions below; however, mainstreaming can still be labelled “very good” if it fulfils Conditions 1 to 7 and at least one of 8, 9 and 10:</p> <ol style="list-style-type: none"> <li>1. There is an identifiable section in the PRSP/national development plan relating to trade.</li> <li>2. The DTIS cycle is aligned with the PRSP cycle.</li> <li>3. The trade discussion is related back to, and informed by, the description and analysis of poverty at the beginning of the PRSP/national development strategy.</li> <li>4. The PRSP/national development plan covers other national and international factors affecting trade (supply-side constraints, such as infrastructure, demand-side constraints, such as market access, and trade issues relating to local and regional markets in addition to the international level).</li> <li>5. Trade is fully integrated into the key sector strategies.</li> <li>6. Action plans for implementation are defined.</li> <li>7. A specific budget for implementation of the action plan is defined.</li> <li>8. Where the poverty analysis section of the PRSP (or where relevant in the national development strategy) discusses non-income aspects of the poverty, this informs the trade content of the document.</li> <li>9. The PRSP/national development plan discusses trade policy options explicitly (describing how they differ by productive sector, their different impact on vulnerable groups, explicit trade and gender linkages, and differentiations between consumers, producers and employees in an urban and rural environment).</li> <li>10. There is a description of how the content of the trade policy in the PRSP/national development plan was formed.</li> </ol>

Colour	Category	Standard
2	Good	<p>Trade has been incorporated into the PRSP/national development plan on the basis of the DTIS Action Matrix, and the process of budget allocation, etc., is moving forward. The trade ministry is increasingly able to play a key role in national economic development planning. It is expected that mainstreaming at a “good” level fulfils most of the conditions below; however, mainstreaming can still be labelled “good” if it fulfils Conditions 1 to 6 and at least one of 7, 8 and 9:</p> <ol style="list-style-type: none"> <li>1. There is an identifiable section in the PRSP/national development plan relating to trade.</li> <li>2. The DTIS cycle is aligned with the PRSP cycle.</li> <li>3. The trade discussion is related back to, and informed by, the description and analysis of poverty at the beginning of the PRSP/national development strategy.</li> <li>4. The PRSP/national development plan covers other national and international factors affecting trade (supply-side constraints, such as infrastructure, demand-side constraints, such as market access, and trade issues relating to local and regional markets in addition to the international level).</li> <li>5. Trade is fully integrated into the key sector strategies.</li> <li>6. Action plans for implementation are defined.</li> <li>7. A specific budget for implementation of the action plan is defined.</li> <li>8. Where the poverty analysis section of the PRSP (or where relevant in the national development strategy) discusses non-income aspects of the poverty, this informs the trade content of the document.</li> <li>9. The PRSP/national development plan discusses trade policy options explicitly (describing how they differ by productive sector, their different impact on vulnerable groups, explicit trade and gender linkages, and differentiations between consumers, producers and employees in an urban and rural environment).</li> </ol>
3	Satisfactory	<p>The DTIS Action Matrix and the PRSP/national development plan are linked, but trade has yet to be ‘embedded’ into the overall approach to economic development. The trade ministry is linked to the PRSP/national development strategy, but capacity is still a constraint for full participation. To be labelled “satisfactory”, the mainstreaming process needs to fulfil at least the Conditions 1, 2 and 3 below, and one of 4, 5, 6 and 7:</p> <ol style="list-style-type: none"> <li>1. There is an identifiable section in the PRSP/national development plan relating to trade.</li> <li>2. The DTIS cycle is aligned with the PRSP cycle.</li> <li>3. The trade discussion is related back to, and informed by, the description and analysis of poverty at the beginning of the PRSP/national development strategy.</li> <li>4. The PRSP/national development plan covers other national and international factors affecting trade (supply-side constraints, such as infrastructure, demand-side constraints, such as market access, and trade issues relating to local and regional markets in addition to the international level).</li> <li>5. Trade is integrated into the key sector strategies.</li> <li>6. Action plans for implementation are defined.</li> <li>7. A specific budget for implementation of the action plan is defined.</li> </ol>

Colour	Category	Standard
4	Deficient	<p>The DTIS Action Matrix and the PRSP are not yet linked, but there is a process for doing this, e.g., through DTIS revision. Capacity for a wider national development plan is being prepared but not yet implemented.</p> <p>The following criteria are met:</p> <ol style="list-style-type: none"> <li>1. There is an identifiable section in the PRSP/national development plan relating to trade.</li> <li>2. The trade discussion is related back to, and informed by, the description and analysis of poverty at the beginning of the PRSP/national development strategy.</li> <li>3. Efforts are under way to link the DTIS cycle to the PRSP cycle.</li> </ol>
5	Unsatisfactory	<p>No linkage between the DTIS and PRSP/national development strategy.</p> <p>If the criteria described above are not met for inclusion at least under "deficient" above.</p>

Outcome 2, Indicator 3:	Baseline	Target
Functioning public/private consultation mechanism.	31 December 2009.	That all EIF Countries with Tier 1 'Support to NIAs' projects have satisfactory public/private consultation mechanisms in place; in at least 50 per cent of the countries, these mechanisms are rated "Very good" or "Good" (five-point scale).

Colour	Category	Standard
1	Very good	<ol style="list-style-type: none"> <li>1. Public/private consultation mechanisms on policy formulation and implementation are operating regularly (at least every six months).</li> <li>2. The consultations are chaired at ministerial level with high-level participation across the relevant government agencies.</li> <li>3. The decisions taken by these meetings are followed up upon with an implementation plan, including monitoring.</li> <li>4. A full range of interest groups, including women's business groups, is included in the consultations.</li> <li>5. The private sector can initiate consultations on matters of relevance to the private sector.</li> </ol>
2	Good	<ol style="list-style-type: none"> <li>1. Public/private consultation mechanisms on policy formulation and implementation are operating regularly (at least every six months).</li> <li>2. The consultations are chaired at political level, with some high-level participation across the relevant government agencies.</li> <li>3. The decisions taken by these meetings are followed up upon.</li> <li>4. A full range of interest groups, including women's business groups, is included in the consultations.</li> </ol>
3	Satisfactory	<ol style="list-style-type: none"> <li>1. Public/private consultation mechanisms on policy formulation and implementation are operating regularly (at least every six months).</li> <li>2. The consultations are chaired at political level, with participation across the relevant government agencies.</li> <li>3. Some of the decisions taken by these meetings are followed up upon.</li> <li>4. A full range of interest groups, including women's business groups, is included in the consultations.</li> </ol>
4	Deficient	<ol style="list-style-type: none"> <li>1. Public/private consultation mechanisms on policy formulation and implementation are set up but do not meet regularly.</li> <li>2. A range of private sector groups is included in the consultations.</li> </ol>
5	Unsatisfactory	<p>No public/private consultation mechanisms planned or in place managed by the EIF implementing agency or other nominated government partner.</p>

Outcome3, Indicator 2:	Baseline	Target
Frequency of government and donor consultations on trade-related matters.	December 2009.	All EIF Countries with Tier 1 'Support to NIAs' projects have at least "satisfactory" donor/government consultation mechanisms and 50 per cent have "good" mechanisms (five-point scale).

Colour	Category	Standard
1	Very good	<ol style="list-style-type: none"> <li>Two or more development partner/government formal meetings per year where trade is included as a specific agenda item.</li> <li>These meetings address trade policy issues and greater coordination of donor interventions.</li> <li>High-level government participation (at ministerial level) at these meetings is the norm.</li> <li>Where it exists, trade is part of the budget support matrix.</li> </ol>
2	Good	<ol style="list-style-type: none"> <li>Two or more development partner/government formal meetings per year where trade is included as a specific agenda item.</li> <li>These meetings address greater coordination of donor interventions.</li> <li>High-level government participation (at ministerial level) at these meetings is not consistent.</li> <li>Where it exists, trade is part of the budget support matrix.</li> </ol>
3	Satisfactory	<ol style="list-style-type: none"> <li>Two or more development partner/government formal meetings per year where trade is included as a specific agenda item.</li> <li>These meetings address greater coordination of donor interventions.</li> <li>High-level government participation (at ministerial level) at these meetings is minimal.</li> </ol>
4	Deficient	<ol style="list-style-type: none"> <li>One development partner/government formal meeting every two years where trade is included on the agenda.</li> <li>Minimal coordination of donor interventions.</li> </ol>
5	Unsatisfactory	No development partner/government formal meetings where trade is included on the agenda.

Outcome 4, Indicator 1:	Baseline	Target
Number of EIF Countries with implementation plan integrating DTIS/Action Matrix priorities and indicating financing needs to be met through ODA.	31 December 2009.	All EIF Countries with Tier 1 'Support to NIAs' projects and Tier 2 projects have a satisfactory medium-term programme linked to the DTIS Action Matrix and the PRSP/national development plan (five-point scale).

Colour	Category	Standard
1	Very good	<p>The government and development partners are working around an operational medium-term sector programme for trade that is linked to the national development plan of the country:</p> <ol style="list-style-type: none"> <li>1. Costed medium-term EIF/AfT programme, indicating priorities and sequencing, has been developed and validated by the NSC.</li> <li>2. Medium-term programme is part of the national development plan.</li> <li>3. Medium-term programme has been developed in consultation with the donor community (with DF as key counterpart).</li> <li>4. Medium-term EIF/AfT programme is part of the government–donor dialogue.</li> </ol>
2	Good	<ol style="list-style-type: none"> <li>1. Costed medium-term EIF programme, indicating priorities and sequencing, has been developed and validated by the NSC; some AfT needs may still be outside of this programme.</li> <li>2. Medium-term EIF programme is linked (or being linked) to the national development plan.</li> <li>3. Medium-term programme has been developed in consultation with the donor community (with DF as key counterpart).</li> <li>4. Medium-term EIF programme is part of the government–donor dialogue.</li> </ol>
3	Satisfactory	<ol style="list-style-type: none"> <li>1. Costed medium-term EIF programme has been developed and validated by the NSC.</li> <li>2. Efforts are under way to link the medium-term programme to the national development plan.</li> <li>3. Medium-term programme has been developed in consultation with the DF.</li> </ol>
4	Deficient	Medium-term EIF programme has been developed (or is being developed) in consultation with the DF.
5	Unsatisfactory	No actions have yet been taken to develop a medium-term EIF programme.



## Annex IV.3: Outcomes and list of indicators that should be included in all Tier 1 'Support to NIAs'<sup>12</sup>

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<sup>12</sup> Some programme-level indicators that are not relevant at the project level are not included in the list.

1. Outcome 1: Sufficient institutional and management capacity built in EIF Countries to formulate and implement trade related strategies and implementation plans:

- Complete, up-to-date DTIS Action Matrix (O1.2)
- Up-to-date trade strategy (O1.4)
- Quality trade strategy(O1.5)
- Quality trade strategy implemented (O1.6)

2. Outcome 2: EIF Countries mainstream trade into their national development strategies and plans:

- Trade in PRSP and/or national development plan (O2.1)
- Existence of productive sector strategies for key sectors integrating the trade dimension (O2.2)
- Functioning public–private consultation mechanisms (O2.3)

3. Outcome 3: Coordinated delivery of trade-related resources (funding, technical assistance, etc.) by donors and implementing agencies to implement country priorities following adoption of the DTIS Action Matrix:

- Availability of an annual rolling implementation overview integrating both trade-related government and donor-supported activities (O3.1)
- Frequency of government and donor consultations on trade-related matters (O3.2)
- Existence of joint donor initiatives in the trade area (O3.4)

4. Outcome 4: EIF Countries secure resources in support of initiatives that address DTIS Action Matrix priorities:

- Availability of medium-term programme integrating DTIS/Action Matrix priorities and indicating financing needs to be met through ODA (O4.1)
- Existence of government budget for the implementation of its trade strategy (O4.2)
- Number and amount of projects funded by donors related to the DTIS Action Matrix (O4.4)





## Annex IV.4: OECD/DAC criteria for evaluating development assistance

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When evaluating programmes and projects, it is useful to consider the following criteria, as laid out in the DAC Principles for Evaluation of Development Assistance:

## Relevance

Relevance is the extent to which the aid activity is suited to the priorities and policies of the target group, recipient and donor.

In evaluating the relevance of a programme or a project, it is useful to consider the following questions:

- To what extent are the objectives of the programme still valid?
- Are the activities and outputs of the programme consistent with the overall goal and the attainment of its objectives?
- Are the activities and outputs of the programme consistent with the intended impacts and effects?

## Effectiveness

Effectiveness is a measure of the extent to which an aid activity attains its objectives.

In evaluating the effectiveness of a programme or a project, it is useful to consider the following questions:

- To what extent were the objectives achieved/are the objectives likely to be achieved?
- What were the major factors influencing the achievement or non-achievement of the objectives?

## Efficiency

Efficiency measures the outputs – qualitative and quantitative – in relation to the inputs. It is an economic term that signifies that the aid uses the least costly resources possible in order to achieve the desired results. This generally requires comparing alternative approaches to achieving the same outputs, to see whether the most efficient process has been adopted.

When evaluating the efficiency of a programme or a project, it is useful to consider the following questions:

- Were activities cost-efficient?
- Were objectives achieved on time?
- Was the programme or project implemented in the most efficient way compared to alternatives?

## Impact

By impact, we mean 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.

When evaluating the impact of a programme or a project, it is useful to consider the following questions:

- What has happened as a result of the programme or project?
- What real difference has the activity made to the beneficiaries?
- How many people have been affected?

## 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.

When evaluating the sustainability of a programme or a project, it is useful to consider the following questions:

- To what extent did the benefits of a programme or project continue after donor funding ceased?
- What were the major factors that influenced the achievement or non-achievement of sustainability of the programme or project?

## Sources

The DAC Principles for the Evaluation of Development Assistance, OECD (1991)

Glossary of Terms Used in Evaluation, in 'Methods and Procedures in Aid Evaluation', OECD (1986)

Glossary of Evaluation and Results Based Management (RBM) Terms, OECD (2000)

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