

MCA-Madagascar
Monitoring and Evaluation Plan
Revised

Version 3 - December 2008

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ACRONYMS

ABC	Agricultural Business Center
ABIP	Agricultural Business Investment Project
AIM	Association des Institutions Non-Mutualistes
APIFM	Association Professionnelle des Institutions Financières Mutualistes
BCM	Banque Centrale de Madagascar
CEM	Caisse d'Epargne de Madagascar
CMF	Commission Nationale des Marchés Financiers
CNMF	Coordination Nationale de la Micro-finance
CPA	Certified Public Accountant
CRIF	Centre de Ressources et d'Information Foncières
CSBF	Commission de Supervision Bancaire et Financière
CSC	Conseil Supérieur de la Comptabilité
DDSF	Direction des Domaines et des Services Fonciers
EURL	Entreprise Unipersonnelle à Responsabilité limitée
FIFAMANOR	FIFAnampiana Malagasy NORveziana
INSTAT	Institut National de la Statistique
M&E	Monitoring and Evaluation
MAEP	Ministère de l'Agriculture, de l'Elevage et de la Pêche
MCA	Millennium Challenge Account
MCC	Millennium Challenge Corporation
MFI	Micro-Finance Institution
MSME	Medium, Small and Micro Enterprise
NCC	National Coordinating Center
PLOF	Plan Local d'Occupation Foncière
PNF	Programme National Foncier
SA	Société Anonyme
SARL	Société à Responsabilité Limitée
SAU	Société Anonyme Unipersonnelle
SME	Small and Micro Enterprise
SMI	Small and Micro Industry
SRI	Système de Riziculture Intensive
TBD	To Be Determined
t-bill	Treasury Bill
USAID	United States Agency for International Development

Introduction

On April 18th, 2005, The United States of America, acting through the Millennium Challenge Corporation (MCC), and the Government of the Republic of Madagascar signed a Compact.¹ The Annex III of this Compact outlined the Monitoring and Evaluation (M&E) Plan for the MCA Program. The purpose of the M&E Plan is to guide implementation of the Program and inform beneficiaries and participants about the progress toward achieving its objectives. Before beginning implementation of individual Projects or Project Activities, MCA-Madagascar provided training to staff and Project implementers on how performance will be measured, in compliance with the M&E Plan. MCA-Madagascar has received comments and suggestions from implementing agencies and representatives of ministries on improving the monitoring of indicators. MCC and MCA-Madagascar may make adjustments to the M&E plan as needed, *provided*, any such modification or amendment of an M&E Plan has been approved by MCC and is otherwise consistent with the requirements of the Compact and any relevant Supplemental Agreement between the Parties.

This is the third version of the Madagascar Compact M&E Plan. The first version, approved in December 2005, was revised in January 2007 (Version 2) following detailed design of project activities that helped to refine the indicator targets and to select new indicators.

A third set of revisions of the M&E Plan were prompted by the need to inform the project progress through additional activity level indicators, to adjust the indicator targets to the fifth year extension of the Compact and to revisit the definition and calculations of a number of indicators. MCC's recent approval to extend the Compact for a fifth year without additional funds to allow timely completion of a number of key activities which had encountered delays, will ensure that the Compact fully reach its goals. Most of the end of Compact targets are not changed as a result of the fifth year, but will be met over the remaining 2 years of the Compact. Thus, for most indicators, the yearly targets have been adjusted. In some cases, new indicators have been added to reflect changes in implementation or to improve reporting.

Following new directives from MCC, process indicators or milestones were added in this version of the M&E plan to monitor progress at the activity level. Process milestones are usually one-time events that are determinant for implementation, such as the passage of a law or the signature of a contract. Process indicators are to be reported in the quarter following their occurrence and usually only once, along with the performance indicators. As the Madagascar Compact is relatively far along in implementation and reliably report on performance indicators, only a limited number of process milestones were found to be of relevance. The new process indicators are included in the indicator tables in Annex 1.

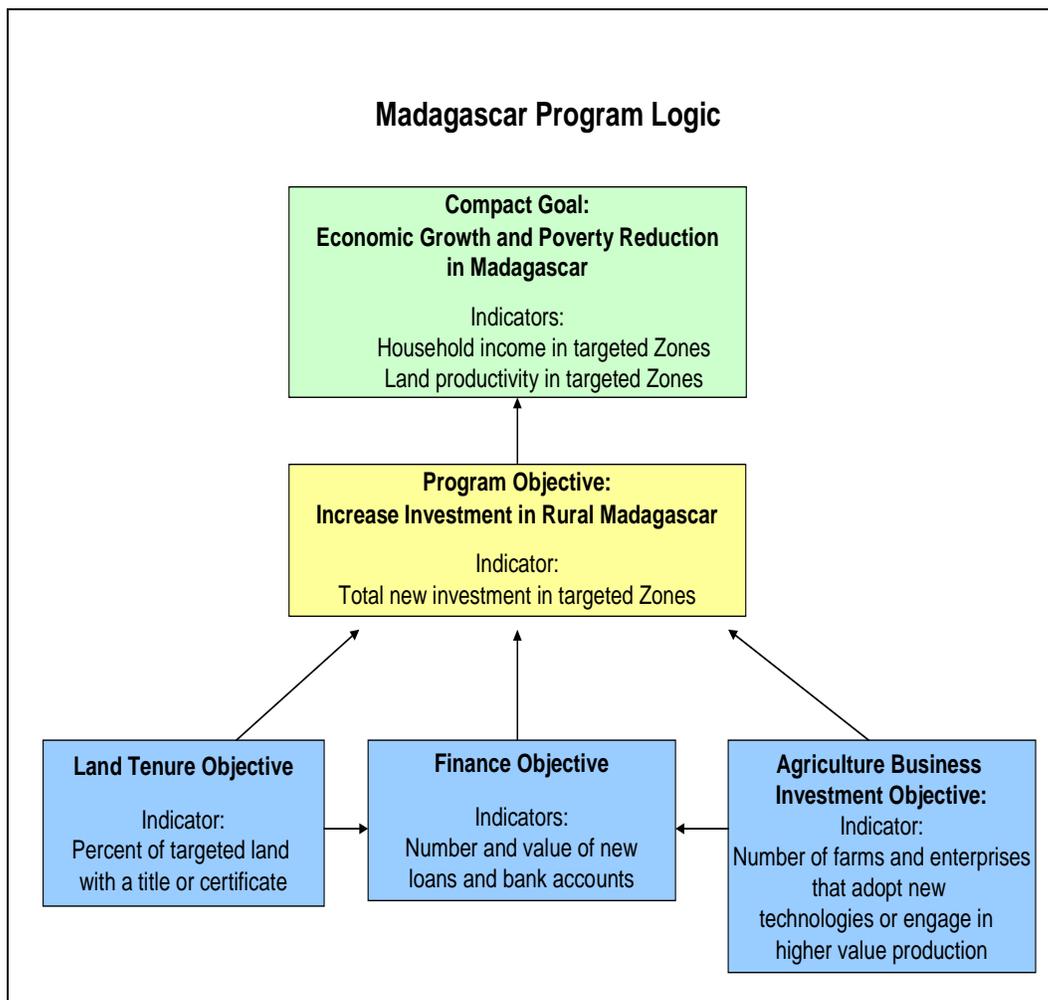
¹ Any capitalized term not defined herein shall have the meaning ascribed to such term in the Compact.

This new version of the M&E Plan also includes what is termed “informational indicators”. These are indicators for which targets are difficult to set or no baseline is available. Because they still provide useful information, it was felt important to report on them; however they will be reported separately and will not be assessed against expected goals. Some of these information indicators are new; but some are indicators that were included previously, but without baseline and/or targets. They have been moved out of the regular indicator tracking tables as they do not provide, as they stand, good measure of performance. They are included in the indicator tables in Annex 1, but only in the top portion of these tables, where characteristics – definition, units, frequency of data collection, etc. – are reported. Informational indicators are not included in the second portion where annual targets are provided, since these indicators do not have targets.

Revisions comprised in this third version are addressed throughout the document and also comprehensively listed in Annex 4 and 5.

Compact Goals and Implementation Objectives

The MCA Madagascar Program being implemented under the Compact has three projects and aims at increasing household income and land productivity in the zones of interventions. The Program logic set in the Compact is the following.



Compact Goal Indicators

Compact Goals	Indicator	Source	Frequency of Data Collection
Increase household income in Zones	Household income in targeted Zones	Private survey firm contracted by MCA	In 2008-2009 and end of Compact
Increase land productivity in Zones	Agricultural output per hectare	Private survey firm contracted by MCA	At least twice for priority crops between October 2007- June 2010

Compact Indicator Targets

Indicator	All Zones	Zone 1		Zone 2	Zone 3	Zone 4	Zone 5
		Vakinan-karatra	Amoron'i Mania	Menabe	Atsinanana	Boeny	Diana
Baseline: Household Income	\$698	\$623	\$659	\$648	\$494	\$1085	\$680
Target: % increase in Household Income	22%	18%	20%	22%	26%	22%	27%
Target: Household Income	\$852	\$737	\$790	\$786	\$617	\$1313	\$862

These income targets have been estimated in an analytical model, using valid data collected at the regional level that is not always representative of local MCA beneficiaries. The projections made using the 2005 baselines estimated that the income increase of 22% would occur in the third year of program implementation although most of the activities were delayed and effectively implemented less than two years before the end of the Compact. Therefore these projections may not realistically represent what the Program can achieve and will achieve. They are presented here as a reference and will be incorporated in the final analysis, when good empirical evidence and relevant data are available. The goal indicator will be measured as impact of the program on beneficiaries of the ABIP and Land Tenure Projects and for integrated activities of the three MCA Projects. It is not expected that the Program will have an impact on the entire population in the zones by the end of the five-year Compact.

During year 4 and 5 of the Compact, data will be collected through surveys and end of Compact administrative data to estimate the income impact on beneficiaries. Different factors such as improved rice productivity (rice makes up about 60% of

total rural revenue²), better access to credit, and secured land ownership will be taken into consideration into the estimate of the increase in household income. Difficult to quantify, the impacts of introduction of high value crops by ABIP will also add up the income effect for the beneficiary households.

Baseline: Agricultural output per hectare

Indicator	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
Rice Paddy Ton/hectare	2.40	1.64	2.33	2.06	1.79
Maize Ton/hectare	2.18	1.53	1.08	2.92	4.31
Potatoes Ton/hectare	20.25				
Milk liter/day	3.51				
Lima bean Ton/hectare		2.29			
Litchi kg/tree			20		
Onion Ton/hectare	15				

Target: Agricultural output per hectare

Indicator	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
Rice Paddy Ton/hectare	3.60	2.46	3.50	3.09	2.69
Maize Ton/hectare	3.27	2.30	1.62	4.38	6.47
Potatoes Ton/hectare	25.00				
Milk liter/day	4.50				
Lima bean Ton/hectare		3.00			
Litchi kg/tree			40		
Onion Ton/hectare	20				

More high valued crops will be identified by the ABCs in all zones and agricultural productivity baselines for these crops will be collected in Q12-Q14. Examples of new crops are onion, essential oils, honey, cocoa, peanut, and vegetables. An average of 50% increase in agricultural output per hectare is set as an end of Compact target for all commodities.

Program Objective

Program Objective	Indicator	Source	Frequency of Data Collection
Increase investment in the targeted investment zones	Total new investment made by farms or enterprises supported by the Program in the Zones	Investment data will come from three sources: 1) Agricultural and household surveys in the zones; 2) land impact evaluation surveys 3) Contracts established between enterprises and farmer producers	Every year starting in Q12.

² “Structure and Conduct of Major Agricultural Input and Output Markets and Response to Reforms by Rural Households in Madagascar”. 1998. IFPRI/FOFIFA

Program Indicator Targets

Indicator	Zone 1		Zone 2	Zone 3	Zone 4	Zone 5
	Vakinan-karatra	Amoron'i Mania	Menabe	Atsinanana	Boeny	Diana

Baseline: Investment made by Program beneficiaries in the Zones in 2007-2008

Small farmer producers	TBD	TBD	TBD	TBD	TBD
MSME	TBD	TBD	TBD	TBD	TBD

Target: Investment in the Zones

Total of new investment by end of Y5	TBD	TBD	TBD	TBD	TBD
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Measurement of the Program Objective

Baseline data collection was completed in April 2006. To facilitate the implementation of the Compact, baseline surveys were funded pursuant to MCC's 609(g) authority under the Act. Under a contract established between USAID (the agency through which MCC funds were administered for this assistance) and INSTAT, three surveys: Household Survey, Enterprise Survey, and Agricultural Productivity Survey, took place in 2005 to complete the baselines. This baseline data was provided to MCC and USAID in addition to being publicly available. During the 2005 surveys, U.S. Bureau of Census worked directly with INSTAT and the Ministry of Agriculture to ensure that data collection plans was consistent with standard statistical procedures.

Data from the enterprise survey in 2005 were used to establish the baselines for the investment made by the MSME and large enterprises during the 2004 fiscal year (\$49,557,000) in the second version of the M&E plan. Due to major changes in the ABIP intervention strategies in the zones, large enterprises and MSMEs are no longer the main clients of the ABCs. The farmer approach adopted by the ABIP should increase the investment in small farms by households. The new baselines of small farmers' investment will be determined through the agricultural and household surveys as well as the land impact evaluation surveys.

Target: The previous target in the second version of the M&E plan estimated that the Program would produce an increase in total investment of approximately 40% of 2004 investment in each region (the total new investment in all MCA zones will be \$20,200,000 by the end of Compact). However, due to the change in the ABIP intervention strategies as explained above, the new target for investment made in the zones will be determined once the new baselines are available from the next surveys (Q16).

Monitoring Component: Indicators for Measuring Program Performance

Program and Project performance will be monitored through the regular tracking of indicators and organized reviews related to the Objectives of the Compact. This analysis allows managers at MCA-Madagascar and at MCC to make adjustments as necessary with a view towards improving the overall impact of the Program. Annex III of the Compact describes the Program Goal, Project Objectives, and summarizes many of the Project Activity level indicators, including the timeline for measurement of the Objectives, plans for the establishment of baselines, determination of targets, and frequency of measurement during the Compact Term. The M&E Plan elaborates from this original framework and proposes a comprehensive set of indicators to monitor progress and measure performance.

In this section, the indicators that MCA-Madagascar will use to monitor project performance are presented along with a description of how data will be collected.

Project Objectives

The Land Tenure, Finance, and Agricultural Business Investment Projects are designed to help rural producers and the domestic private sector increase investment in rural areas. To assess progress towards meeting the Program Objective, MCA-Madagascar will measure the results of the three Projects as described below:

- Increased land tenure security as measured by the percentage of targeted land with a title or certificate.
- Increased competition in the financial sector as measured by the number and value of new loans and bank accounts.
- Improved production technologies and market capacity in rural areas as measured by the number of farmers or enterprises that adopt new technologies or engage in higher value production.

Land Tenure Project Activities

Recurrent and lasting land crises in Madagascar have led the Malagasy Government to undertake a vast land reform in response to massive demand for securing land property rights. The MCA-Madagascar Land Tenure Project provides technical and financial support to this reform implemented since 2005 by a coordination unit within the *Programme National Foncier* (National Land Program) or PNF.

The Land Tenure Project is structured around two axes:

- **Modernization of the Land Tenure Services and computerization of land tenure and topographic archives in Antananarivo and the zones.** This activity includes the inventory, restoration, and digitization of land documents in order to update the land information and better safeguard land

documents that have started to degrade. It also includes assistance to the Land Services (*Services Fonciers*) to accelerate issuance of titles and regularize the titling on land with different occupancy holdings. Three of the five interventions zones of MCA (Zones 3, 4, and 5) are targeted for the Regularization activity. In these zones, large areas of land suitable for cash crop production (coffee, cocoa, tobacco, sisal, etc.) were titled during the colonial time. These existing titles, which comprise non-occupied private land, private land occupied by third parties, or private land occupied by owners but with a title that is out of date, need to be updated or regularize to reflect the current occupancy and land rights.

- **Decentralization of land tenure management** to the commune authorities to allow them to manage non-titled private land. In order to effectively decentralize land tenure management and resources, local communal land management office called “guichet foncier” have been created. These Guichets Fonciers can issue Land Certificates, to formalize property rights after carrying out a procedure based on local, community recognition of property rights. Land certificates are issued on non-titled private land while “Actes de Reconnaissance” are established for land titled on behalf of the State which attributes the property rights (dotation) to the commune.

The two axis of the land reform are framed by new laws clarifying and reinforcing the property rights on non-titled and titled land. The Land Tenure Project financed a law review committee and the information campaign on the new legal texts to reform the land legislation and increase their knowledge among the populations and interested institutions such as the courts and civil societies.

All the indicators of the Land Tenure Project are detailed in Annex 1.

Data collection systems and Measurement of the indicators:

The PNF set up a Land Observatory in 2007 to collect, analyze, and disseminate data to decision-makers on program results and impacts of the land reform policy. The PNF and the Land Observatory were originally under the Ministry of Agriculture. Since early 2008 however, they are part of the new Ministry of Land Reform and Decentralization (MRFDAT) created following a restructuration within the government. The structure, information system and indicators adopted by the Observatory to monitor the land reform have been defined and validated by both the PNF and MCA-Madagascar. The Observatory is responsible for channeling and processing all data coming from the different decentralized land services and *guichets fonciers* in the Zones and hence is the source of most of the Land Tenure Project indicators. The Observatory has developed standard data collection forms and guidelines for the Guichets Fonciers to enter information on the certificates they issue. Using Geographic Information System (GIS) tools, the guichets fonciers creates a database automatically extracted from mapping newly secured land to produce indicator data such as the areas secured and the number of plots with conflicts used to monitor the Land Tenure Project indicators. The two main

implementers of the Land Tenure Project (Contracts LT034 and LT 035) provide assistance to the staff of the Guichets Fonciers in producing timely information on land certification. Every quarter, the Observatory consolidates, verifies and sends the data on indicators to MCA, who then imports into its M&E database where it is tested for consistency and validity. The MCA M&E unit also performs data quality control in the field by visiting land offices and auditing the data they provide. Land offices are either selected at random or those where data inconsistency are frequent. The M&E unit also regularly requests the services of independent consultants to perform data quality reviews.

Reduction of Average Time and Cost of Land Procedures

The baselines of time and cost to complete land procedures at the Land Administration Services were estimated through surveys conducted by MCA in all five zones. Details on how the baselines were calculated can be found in Annex 2. A modified version of the World Bank's Doing Business methodology was used in the baseline study, adjusted to the local rural context. Standardized forms are currently used by all Services Fonciers under the guidance of the Land Observatory and data on time are collected, disaggregated by key steps in the titling procedure. It will be possible therefore to analyze in detail the time of the process. This data is transmitted to the Land Observatory every 3 months.

Issuance of land certificate by the Guichets Fonciers is a new procedure introduced by the national land tenure reform. While certificates are not issued by the same services as the titles, the time and cost of certificate issuance, which so far have been shown to be low, will be compared to the time and cost of title issuance. For the guichets fonciers, data on time are systematically recorded electronically in the registry created for each certificate request. A data management software called PLOF and another data consolidation software called Land Data have been installed in the Land Information and Resource Centers or CRIFs. These include functionalities allowing to automatically calculate the time for issuing certificates or any other land transactions. CRIFs are fully computerized centers located in a district to assist a certain number of guichets fonciers in digitizing the land information and printing land certificates.

Regarding the collection of data on land transactions costs, field surveys using the same methodology as the baseline study on cost of land procedures will be conducted at the services fonciers and guichets fonciers. Although the steps to carry out the titling and certification procedures are different, the estimate of the costs will use a common methodology: selecting a sample of users based on specific criteria and ask them about the procedure fees and the economic costs they had to support.

Finance Project Activities

The Finance Project aims at modernizing some aspects of the financial sector to help it play a larger role in integrating the rural world into the economy.

The main objectives of the Project include improving efficiency in the financial system, rebuilding trust among all actors of the system, and increasing the main actors' competitiveness.

To achieve these objectives, six activities, some with a national scope and some targeting MCA-Madagascar's intervention zones, will be implemented:

- a) Promote legal and regulatory reform;
- b) Reform sovereign debt management and issuance;
- c) Strengthen the National Savings Bank (*Caisse d'Epargne de Madagascar* or CEM);
- d) Provide new instruments for agribusiness credit;
- e) Modernize the national interbank payment system;
- f) Improve credit skills training, increase credit information and analysis.

Activity a) Promote Legal and Regulatory Reform

The objective of this activity, which is national in scope, is to strengthen the current financial system in order to meet the needs for funding and to offer alternative investment instruments regulated by new legislation adapted to the national context.

This activity consists in:

- Strengthening the institutional, legal, and regulatory framework in which financial services and operations are performed in order to develop financial intermediation and competition, as well as and financial market;
- Securing the participation and the support of the banking profession in the reforms on one hand. On the other hand, the Finance project activity should raise awareness among judicial and legal authorities, economic operators and donors on the institutional, legal, and regulatory mechanisms that already exist or are to be established;

Activity b) Reform Sovereign Debt Management and Issuance

This activity consists in:

- The decentralization of Treasury Bills at the existing branches of the Central Bank of Madagascar (BCM);
- The adoption of new policies and debt management procedures through the support to the fiscal policy unit at the Tax Division.

Activity c) Strengthen the National Savings Bank (Caisse d'Epargne de Madagascar or CEM)

This activity aims at mobilizing savings by building the operational capacities of the CEM and consists in:

- Modernizing CEM's information system by equipping its entire network with IT equipment and fire protection materials;
- Creating four new branches in MCA-Madagascar's intervention zones to allow for expanding its activities.

Activity d) Provide New Instruments for Agribusiness Credit

This activity benefits mainly the microfinance institutions (MFI) in MCA-Madagascar's intervention zones and consists in facilitating the rural world's access to financial services by improving the security of credit operations by:

- Building the capacities of MFIs so that they can play their expected economic role in the provision of microfinance services (savings and credit);
- Setting up an institutional support fund, the Challenge Fund, amounting to US\$ 1,000,000. The fund assists the MFIs operating in MCA-Madagascar's intervention zones in extending their services in rural areas. New MFI branches equipped with IT and transportation equipment will be financed by the fund;
- Making available a refinancing and guarantee fund amounting US\$ 3,000,000 to MFIs meeting eligibility criteria and servicing rural populations working in the agribusiness sector in MCA-Madagascar's intervention zones;
- Conducting a study to promote new financing techniques that will provide the rural world with a range of financial products suited to their needs.

Activity e) Modernize the National Interbank Payment System

The objective of this activity is to strengthen Madagascar's payment and settlement systems. It involves the following tasks:

- Set up a real time gross settlement system;
- Modernize the systems for processing checks and other forms of payments, e.g. wire transfers;

To perform these tasks, a number of legal and regulatory diligences are required as to establish an appropriate framework meeting the requirements of modernizing the payment system.

In addition, in order to allow for low cost transactions with a high level of security, the establishment of adequate telecommunication materials is integrated in the tasks described above.

Activity f) Improve Credit Skills Training, Increase Credit Information and Analysis

The main objectives of this activity are to build national capacity in risks analysis, to improve the infrastructures for providing financial information, to foster access to bank financing, and to develop the financial market. The activity consists in:

- Developing and setting up a training and examination system for certified public accountants and financial experts;
- Establishing an Integrated Information System on Enterprises (IISE) at the Central Bank of Madagascar, which will make available reliable financial and accounting data on enterprises;
- Providing technical assistance and equipment for setting up and implementing a Microfinance Credit Bureau whose main functions will be to centralize and control data on clients receiving loans from MFIs; secured data will be available to the relevant actors (MFIs, Banking and Financial Supervision Committee or CSBF, etc.) thanks to this Credit Bureau;
- Conducting information, education, and communication campaigns on microfinance to promote microfinance services and build a culture of saving and credit among the target population as well as encouraging the rural population to set up MFIs that they will own.

The list and the definition of the indicators selected for measuring the achievement of the project's objectives and to monitor activity progress are provided in Annex 1.

Data collection system and measurement of indicators:

Most of the indicator data for the Finance project are extracted from the accounting systems of the partner institutions and data transfer is done through the existing system of financial reports that have been used for many years by the financial institutions. There are four sources of information used by the MCA M&E system for collecting data on the Finance project:

- the Central Bank of Madagascar (BCM)
- the Commission de Supervision Bancaire et Financière (CSBF)
- the Caisse d'Epargne de Madagascar (CEM)

- the CNMF, the Microfinance National Coordination body (*Coordination Nationale de la Microfinance*)

The BCM and CSBF receive a number of mandatory financial reports and data from the certified MFIs and banks on a quarterly basis. The Central Bank of Madagascar, through its website, its publications, and the data it provides to the Project will be the source of information on the value and number of Treasury bills issued. The Central Bank of Madagascar provides also all the information on the indicators on the modernization of the national payment system and the progress of the activities related to the microfinance credit bureau.

The data on the number and values of accounts opened at the CEM branches and the MFIs benefiting from MCA-Madagascar's support will be provided directly by these entities. The same applies to the number and values of the credits granted by the MFIs.

The CNMF receives microfinance data from two microfinance associations, the association of mutual MFIs (APIFM) and the association of non-mutual MFIs (AIM). The CNMF consolidates the information at the regional and national levels and sends them to MCA-Madagascar. With respect to the support to MFIs in MCA-Madagascar's intervention zones, the data on the refinancing and guarantee fund is communicated by the CEM, which is responsible for managing the fund. The activities of the Challenge Fund will be tracked through the changes in the number and values of credit and deposits at the MFIs beneficiaries of the fund.

The percentage of the population aware of financial services offered by MFIs in the zones will be obtained through a statistical survey to be conducted in MCA-Madagascar's intervention zones. This survey should help estimate the level of awareness of the population affected by the Information campaigns of credit and saving services. The information campaigns are undertaken by the Project.

Each quarter, all partner financial institutions provide MCA-Madagascar's Finance Project with the data. The Project team is in charge of validating the data to ensure its quality and then forward them to the M&E unit. Consistency and validity checks are then performed before the data is imported in the M&E databases.

Agricultural Business Investment Project Activities

The main objective of the ABIP is the establishment of a commercial agriculture and business promotion network to provide a range of services to rural producers and entrepreneurs related to improved production, marketing, and business practices and profitability. The ABIP Project focuses on building the capacity of Agricultural Business Centers or ABCs to deliver services to small farmers and agribusiness enterprises in targeted high value chains. ABC activities are coordinated at national level by the National Coordination Center or NCC.

Strategies adopted by ABIP to develop agribusiness in the zones can be viewed from a two-tier perspective:

- First, the ABCs assisted by the MCA contractor identify a number of products or value chains and services needed to develop these value chains in each region.
- Second, the ABCs ensure that technical assistance such as extension, input distribution, and market information, are accessible to farmers, farmer associations, and enterprises. ABIP technical experts as well as field agents (MCA contractor) and leader farmers using demonstration plots and farmer-to-farmer extension approach are available to help introduce the new technologies to farmers and enterprises.

Technical assistance may comprise assistance in:

- business and farm management including the development of business plans,
- structuring farmer associations and cooperatives to facilitate the farmer-to-farmer approach and the access to credit, and to group the commercialization of commodities
- marketing and sales: participation in training at the agricultural fairs, contracting with wholesalers and local or export companies
- production and processing the commodities according to market quality requirements

Through this technical assistance, new technologies are introduced by the ABC technical experts and MCA contractor's field agents to the farmers and enterprises. New technologies for farmers refer to production-enhancing methods and practices that were not previously used. These may include use of fertilizer, improved seeds, planting/transplanting techniques, etc. New technologies are generally specific to commodity sectors and regions.

New technologies for enterprises include product processing, packaging, transportation, and other methods that add value to the product being sold. Critical technical itineraries in each value chain were defined by the ABIP prior to extension activities to qualify the technology users from other farmers (see Annex 3).

The list of key technical assistance activities provided for each value chain and region by ABIP technicians is given in Annex 3. Farmers and enterprises must use all of the techniques identified for a value chain in order to be considered as employing technical assistance.

Data collection system and Measurement of indicators:

MCA-Madagascar has been operating an M&E system that includes indicators for measuring ABIP performance. These indicators are listed in annex 1.

ABCs have established technical tracking sheets to be used by field agents and farmer-leaders to record basic information on agricultural practices. Technical tracking sheets are customized by commodity. Field agents summarize relevant data from the technical tracking sheets using an M&E data collection form. The MCA M&E unit has provided training to field agents and ABC technicians in the use of the M&E data collection form. ABC technicians are responsible for supervising and verifying data collection by field agents. The ABCs compile the data and report to NCC for validation, NCC then transmits the data to the M&E Unit, who consolidate them for the quarterly reports.

On the indicator “number of farmers receiving technical assistance”, the data is obtained from attendance sheet filled whenever a field agent puts on a demonstration, training, or workshop that is opened to the public.

While various members of the field staff, ABCs and MCA contractor, collect and summarize needed M&E data, it is the responsibility of the regional data manager (RGIs) in each ABC to maintain the M&E database current and transmit the relevant data to MCA M&E unit for consolidation and analysis.

The database kept by the MCA M&E unit contains data on all indicators in their final consolidated state, disaggregated by zones. It also contains quarterly targets for the indicators. MCA has also developed a database system using Microsoft Excel, designed to capture detailed data on beneficiaries that are required for further disaggregation of indicators.

Data Quality Control:

The field agents, regional technicians, and RGIs are best placed to provide frontline quality control for the various M&E databases as they work intimately with beneficiaries. Upon completion of data entry, the ABC staff will examine the data to identify errors and inconsistencies or out of range values. Periodic data quality controls are done by the MCA M&E unit through the verification of data forms. Periodic field visits in communes chosen at random are done by the RGIs, the ABC technicians and the MCA M&E staff to control the existence of the beneficiaries, their activities and whether the technical itinerary was applied.

Agricultural and household surveys

Agricultural and household surveys will measure the farmer household income and the agricultural productivity of priority crops in each of six regions of MCA-Madagascar from August 2008 to June 2010. The variation of the net farm income from these products will be also measured by these surveys, along with other control variables affecting household income.

Among other data, the socio-economic and demographic characteristics of households, the characteristics of plots as well as the application of different farming techniques and modes of tenant farming will be collected to analyze their

correlation to the productivity and income. The farm yields and the volumes of agricultural production will be measured by the cutting of plots at harvest when appropriate. Cutting will be done on a sample of plots owned by households selected in the larger agriculture survey sample.

The farmers supported by the ABC who drop out and the reasons for attrition will be also surveyed and followed up with the survey firm. Panel data will be created by following up a sample of beneficiaries and comparing household income and productivity over 2008-2010.

Indicators monitored under the ABC Cooperative approach

To assure the long term sustainability of the ABC network, the ABIP program will start to restructure the project in early 2009. Growing out of the ABC's, a network of cooperatives will continue to support producers with technical assistance in business management, production and marketing. New indicators will measure the effectiveness of the cooperative structures beginning June 2009. The following indicators were created to monitor this expansion of the cooperatives' activities in the zones: the turnover sales made by the cooperatives on high value commodities, the quantity of high value crop production commercialized by the cooperatives, the number of cooperative members, and the number of cooperative members trained in new technology. Data will be collected from the ABC and the cooperatives through their accounting documents and member meeting minutes mandatorily kept by the cooperatives, as well as log forms for training provided by the cooperatives to their members.

Policy and Legal Reforms

The Land Tenure Project and the Finance Project include indicators for assessing legal reforms that are necessary for the implementation of the Program. These indicators are:

- Submission to Parliament in October 2005 and passage of legislation that recognizes improvements to land tenure procedures in December 2005, plus additional information indicators to track progress of subsequent legislative changes.
- Submission to Parliament and passage of new banking and financial sector laws as recommended by outside experts and relevant commissions: the implementation texts of new microfinance law were submitted to Parliament in March 2007 and passed in November 2007

Evaluation Component: Evaluation of Economic Growth and Poverty Reduction Impact

Final Impact Evaluation

The MCA Proposal for Compact funding identified low investment in rural areas as a major cause of low economic growth and poverty in Madagascar. The objective of the Program in Madagascar is to stimulate rural investment through the Land Tenure, Finance, and Agriculture Business Investment Projects. The Compact includes provisions for an impact evaluation to determine the extent to which income and productivity were raised by the Program. Specifically the impact on economic growth and poverty reduction would have been measured through the two goal-level indicators:

1. Household income in the Zones
2. Land productivity in the Zones

The evaluation should have assessed and quantified the causal relationship between the Projects and the goals of increased household income and increased land productivity, including the channels through which the Projects made an impact.

In order to collect baseline data on the goal indicators and allow for an impact evaluation, the Program funded three national surveys in 2005, a household, an agricultural productivity, and an enterprise surveys, and planned to support follow-up surveys at the end of the Compact. Unfortunately, after the baseline surveys were completed, it was determined that Madagascar's sample frame, which dates from 1998, was no longer valid and that samples drawn from this sample frame were not representative of regional realities. The next census in Madagascar is scheduled for 2009 and census results reported in 2010, after the end of the Compact.

MCA-Madagascar determined that the data collected from the 2005 surveys could not be used for an impact evaluation as originally envisaged. In the absence of reliable national household survey data and after delays in project implementation, it was decided to commission a more standard evaluation to assess the impact of the program on the goals of the Compact (albeit without measurable attribution effects) and draw lessons learned from the accomplishments and shortcomings of the Compact. Along with other data and reports, this evaluation will rely on household survey data to be collected from beneficiaries of the land and ABIP Projects.

Evaluation of the Agricultural Business Centers

Because the ABIP project was not fully defined at the time of Compact signature, MCC and MCA-Madagascar had agreed that a rigorous evaluation of Agricultural Business Centers (ABCs) should be undertaken in particular to assess 1) whether ABCs are effective in helping farmers and entrepreneurs adopt new technologies, and 2) spillover effects from clients to other producers. However, a number of

problems overwhelmed the design and implementation plan of this evaluation and it could not be pursued. As this evaluation was a condition precedent to continued funding, MCC and MCA Madagascar agreed to waive the condition precedent if further economic analysis and monitoring surveys were conducted. A cost-benefit analysis was done by an MCC economist to ensure that the MCC investments on ABIP made economic sense. MCC found that contingent on achieving the M&E Plan targets in terms of beneficiary numbers and incremental benefits, continued disbursements in the program was justified. In addition, it was agreed to launch specific household surveys collect data on ABIP and land project beneficiaries.

Evaluation of the Land Tenure Project:

Two surveys on beneficiaries of land certificates and titles will be organized during the Compact to evaluate the initial direct effects observed from the decentralization and modernization of land management in MCA zones. The areas of impact analysis during these surveys relate to the social and legal security brought by certification to the level of the commune and the household as well as the changes in the economic activities with farm households. The National Land Program worked with MCA-Madagascar and MCC to design the land survey methodology and the contract should be launched in January 2009.

Description of the Intended Beneficiaries of the Program

This section was developed with the second version of the M&E Plan and has not been updated in this version.

Description of direct intervention Zones:

The beneficiaries of MCA-Madagascar Program include households located in MCA program intervention Zones.

There are five Zones of direct intervention of the MCA Program, covering six of the 22 Regions of Madagascar:

Zone 1 : Vakinankaratra et Amoron'i Mania

Zone 2 : Menabe

Zone 3 : Atsinanana

Zone 4 : Boeny

Zone 5 : Diana

Below is a description of the socioeconomic and demographic characteristics of the intended beneficiaries of the Program. This information is extracted from the 2005 household and agricultural productivity surveys implemented throughout the country by the National Institute of Statistics or INSTAT and the Ministry of Agriculture with the financial assistance of MCC.

These five Zones have 5,050,000 inhabitants, i.e. 27% of Madagascar population (18,850,000 inhabitants).

The Regions of Atsinanana, Amoron'i Mania and Vakinankaratra are poorer compared with the national average. Approximately 79.0%, 78.0% and 74.3% of the respective population in these Zones live below poverty³ while the national average is 68.7%.

Poverty rate in Boeny, Diana, and Menabe is, respectively 48.8%, 49.2% and 61.7%.

The rural population is poorer than the average for the region, as shown in the following table.

Table 1: Poverty ratio in rural area

	Zone 1		Zone 2	Zone 3	Zone 4	Zone 5	Madagascar
	Vakinankaratra	Amoron'i Mania	Menabe	Atsinanana	Boeny	Diana	
Poverty ratio in rural area	78.6%	78.4%	66.3%	87.9%	62.9%	59.2%	73.5%

³ The poor are defined as those who do not meet a 2133 kcal daily need in food. To the food need is added essential needs other than foods. The poverty level retained is Ariary 305,300 (approximately US\$ 153) per person per annum. This is the amount figured out in 2001 and updated on the basis of consumer price development between 2001 and 2005.

Compared with the national average of 32 inhabitants/km², the regions of Vakinankaratra, Atsinanana, and Amoron'i Mania are the most populated with respectively 88 and 52 hab/km². The other regions have an average density of 12 inhabitants/km².

On average, 48.5% of the Malagasy population are under the age of 15, 48.0% are between 15 and 60, and 3.5% are more than 60 years old. This age distribution is true for all MCA-Madagascar direct intervention Zones. This shows a relatively young population in the Zones.

The ratio of economic dependence is high for Zones 1 and 5 (117% and 119%). In Zone 3, it stands at 101%. Potentially inactive individuals (under 15 years old and over 60) in the regions of Boeny and Menabe are fewer than those potentially active (aged 15 and 60), and economic dependence in these two regions is respectively 86% and 91%.

Compared with the national average, MCA-Madagascar direct intervention Zones include more women than men. The gender ratio in our intervention areas is 1.05. For Diana and Menabe, the number of men and women is approximately the same (gender ratio 1.01 and 1.00).

Households in the Intervention Areas:

The five areas include 1,050,000 households in total, 810,000 of which live in rural areas (77%). Zone 1 (Vakinankaratra & Amoron'i Mania) is the most important in terms of households since it represents 49% of households in MCA's intervention zones. Atsinanana represents 24% and the other three Zones 9% each.

Average household size in the 5 intervention areas is 4.9, as for the national average in rural areas. Only rural households in Zones 1 and 3 include more members than the average, with 5.2 and 5.1 respectively. Households in Diana, Boeny, and Menabe have on average 3.9, 4.4 and 4.7 individuals respectively.

The majority of breadwinners are males in the 5 zones (80%). For Diana, male breadwinners represent 71% of households as a whole. The average age among breadwinners both in each Zone and at national level is between 42 and 43.

The level of education of Malagasy rural breadwinners is fairly low. Indeed, on average 87% of breadwinners have no education or have reached primary school level (5 years schooling maximum). The Boeny Region has the lowest rate with 82% and the other regions are close to the national average.

In rural area, agriculture remains the main source of employment:

Table 2: Farmer breadwinners in the zones

	Zone 1		Zone 2	Zone 3	Zone 4	Zone 5	5 Zones
	Vakinankaratra	Amoron'i Mania	Menabe	Atsinanana	Boeny	Diana	
Farmer Breadwinners	94.2%	94.7%	94.3%	94.1%	89.4%	89.9%	93.6%

93.6 % of breadwinners in MCA-Madagascar direct intervention Zones are farmers or farm laborers.

ABIP is planning to work with 32,000 households⁴ in the Zones. The distribution of these households in each Zone is shown in the table below.

Table 3: ABIP household beneficiaries

<i>Unit : household</i>	Zone 1		Zone 2	Zone 3	Zone 4	Zone 5	Total
	Vakinankaratra	Amoron'i Mania	Menabe	Atsinanana	Boeny	Diana	
Number of ABIP beneficiaries households	10,863	5,691	2,780	7,340	2,617	2,709	32,000

ABIP household beneficiaries may also receive technical assistance from the Finance Project through the ABCs.

Average incomes of rural households:

The average income in Boeny Region is 1.5 higher than the Malagasy average income while the average income of households in Atsinanana Region represents 74% only of the national average (USD 665). Incomes in the other Zones (Vakinankaratra/Amoron'i Mania, Menabe and Diana) are fairly close to the average.

Table 4 : Average incomes of rural households

<i>Unit : usd</i>	Zone 1		Zone 2	Zone 3	Zone 4	Zone 5	Madagascar
	Vakinankaratra	Amoron'i Mania	Menabe	Atsinanana	Boeny	Diana	
Average incomes of rural households	623	659	648	494	1,085	680	665

Food expenditures represent approximately 80% of average incomes except in Diana where they are fairly low (69%).

Description of farmland:

Table 5: Nature of farmlands

<i>Unit : Ha</i>	Zone 1		Zone 2	Zone 3	Zone 4	Zone 5	Madagascar
	Vakinankaratra	Amoron'i Mania	Menabe	Atsinanana	Boeny	Diana	
Rice fields	0.51	0.50	1.50	0.84	1.63	1.65	1.22
Non-rice fields	0.74	0.70	1.56	1.13	1.86	1.59	1.32

The average surface areas of non-rice fields are 1.4 times larger than rice fields in all the MCA-Madagascar Zones of direct intervention except in Diana and Menabe

⁴ Version 2 had a typo and referred to 93,000 households instead of 32,000. This has been corrected here.

where they are almost the same. National averages are 1.22 Ha (rice fields) and 1.32 Ha (non rice fields).

Yields of crops surveyed in each Zone:

Yields of the crops in each Zone are summed up in the following table together with the average selling prices of each product.

Table 6 : Yields and sell prices of the crop surveyed in the zones

	Units	Zone 1		Zone 2	Zone 3	Zone 4	Zone 5	Madagascar
		Vakinankaratra	Amoron'i Mania	Menabe	Atsinanana	Boeny	Diana	
Paddy yield	<i>T/Ha</i>	2.39	2.41	1.64	2.33	2.06	1.79	2.52
Average sell price	<i>Usd/Kg</i>	0.23	0.21	0.22	0.22	0.23	0.34	
Maize yield	<i>T/Ha</i>	2.02	2.34	1.53	1.08	2.92	4.31	2.15
Average sell price	<i>Usd/Kg</i>	0.15	0.17	0.15	0.18	0.16	0.15	
Cassava yield	<i>T/Ha</i>			38.54	29.48			32.11
Average sell price	<i>Usd/Kg</i>			0.11	0.07			
Potato yield	<i>T/Ha</i>	20.25						23.34
Average sell price	<i>Usd/Kg</i>	0.10						
Milk yield	<i>Litre/day</i>	3.51						
Average sell price	<i>Usd/litre</i>	0.21						

The yield for intensive rice farming (SRI) is between 3.38 tons/hectare and 4.06 tons/hectare. This technique is still to be extended in MCA-Madagascar Zones of direct intervention. In fact, only less than 1% of rice-farmers are using the technique while yield may reach up to 4.06 tons/hectare (case of Atsinanana Zone).

Maize farmed as a monoculture crop shows a higher yield than the other crops farmed as mixed crops or all crops put together for all Zones. With this type of cropping, yield may be enhanced by over 75%.

Cassava and potato row-planting equally improves the yield: 25% for cassava in Menabe and 100% for Atsinanana. For the Vakinankaratra Region, yield is 20% higher than by traditional potato-planting.

Farming System:

In general, the Malagasy agricultural production system is not mechanized.

For rice-farming, the most commonly used techniques are manual and oxen-driven tilling. Over 8 farmers out of 10 use the two tilling methods in the Zones of Vakinankaratra and Amoron'i Mania, Boeny and Diana.

For Atsinanana Zone, 40% of farmers till their land manually but 41% of farmers do not till.

Weeding rice fields by hand remains the most common practice in the 5 Zones with a rate approaching 60%. For maize cropping, the rate reaches over 80%.

In Zones 3 to 5, fertilizers (organic and mineral) are not yet adopted by rice or maize growers. Over 95% of rice and maize growers do not use fertilizers yet.

Organic fertilizer is better known in Zone 1 for both rice and maize (higher than 50% rate for rice and higher than 80% for maize).

Fertilizer-free cassava cropping prevails by 97% in Menabe and Atsinanana Regions while 97% of potato growers in Vakinankaratra Region use fertilizers (53% of organic fertilizers and 44% mixed organic and mineral fertilizers)

The use of pure mineral fertilizer or in association with organic fertilizers increases the yield in the potato production in Vakinankaratra Region by 25%.

Manual tilling and manual weeding are practiced respectively in 85 % and 89% of cases.

With regard to dairy cows, the yield improves with the use of an improved breed (5.20 liters/day instead of 2.30 liters/day for the local breed). Such yield increases further with cows from FIFAMANOR (10.33 liters/day)

Besides, the yield is trebled with the use of improved pasture instead of natural pasture. Over 75% of breeders' dairy product is kept for sales while home-consumption is 19% only.

Savings and loans:

The proportion of farmers who have saved varies from 13% for Vakinankaratra and Atsinanana to 36% for Menabe.

The main forms of savings are shown in the following table.

Table 7: Forms of savings by Farmers

<i>Unit : %</i>	Zone 1		Zone 2	Zone 3	Zone 4	Zone 5
	Vakinankaratra	Amoron'i Mania	Menabe	Atsinanana	Boeny	Diana
Buying livestock	56.5%	75.3%	32.0%	23.4%	63.3%	10.0%
Hoarding	22.6%	16.2%	60.3%	56.4%	23.7%	72.8%
MFI deposit	15.7%	5.9%	1.7%	9.7%	0.0%	10.1%
Bank deposit	3.0%	0.8%	1.4%	2.9%	3.7%	3.2%

The most commonly used forms of savings are buying livestock and hoarding (at least 80% of rural farmers in each zone).

The proportion of farmers who have borrowed varies from 2% for Atsinanana to 23% for Boeny. Atsinanana low rate is explained by the inexistence of lenders according to 52% of those farmers who have not borrowed.

For the overall Zones, the creditor is most of the time a member of the family (more than 50% for Amoron'i Mania, Atsinanana and Boeny), next come microfinance organizations (over 30% for Zones 3 to 5). Last, money-lenders come in the third position with 20% of loans in Zones 1 and 2.

Loans granted are mainly used to buy inputs and production materials and repayment term is still shorter than one year.

The reasons of limited loan request, as claimed by farmers, are the following: fear of borrowing, incapacity to have securities and absence of creditors (52% for Atsinanana and more than 18% for Menabe, Boeny and Diana).

Formal enterprises in MCA-Madagascar Zones of direct intervention:

21% of formal enterprises working in Madagascar (deemed to reach 211 315) are found in the 5 direct intervention Zones of MCA-Madagascar.

Diana Region has the highest number of enterprises in the secondary and tertiary sectors with 7% of the overall enterprises while Zone 2 (Menabe) only represents 1% of all enterprises (2,012 formal enterprises).

Individual businesses represent more than 98% of all formal enterprises, 1.5% of businesses are SARL⁵, or EURL and SA & SAU represent 0.2% only.

Classified by size, businesses employing no more than 9 people (micro enterprises) represent 96% of all the formal enterprises. 3.7% of the enterprises are SME/SMI (employing 10 to 199 people) and there are 45 larger enterprises (>200 people) in the 5 Zones (that is to say 0.1% of formal enterprises in the 5 Zones).

By sector, the distribution of the formal enterprises is shown in the following table.

The small trade sector is predominant in all Zones.

Table 8: Sector distribution in the Zones

Unit : %	Zone 1		Zone 2	Zone 3	Zone 4	Zone 5
	Vakinankaratra	Amoron'i Mania	Menabe	Atsinanana	Boeny	Diana
Retailer	69%	84%	84%	69%	67%	71%
Hotels & restaurants	5%	3%	8%	8%	4%	7%
Grocer	8%	5%	2%	2%	1%	7%
Others	18%	8%	6%	21%	28%	15%

31% of enterprises overall turnover in the 5 Zones is achieved by the enterprises in Zone 3 (Atsinanana) while the Regions of Menabe and Amoron'i Mania represent only 6% and 3% respectively.

The distribution of the total added value follows the turnover mentioned above: 31% of the overall added value of the Zones for Atsinanana and respectively 8% and 2% for Menabe and Amoron'i Mania.

As for investments during Exercise 2004, the investments made by enterprises in the Zone of Diana amounted to US\$ 20.1 Million, that is 40% of overall investments in the 5 Zones while those in Zones 1 (Vakinankaratra/Amoron'i Mania) and 4 (Boeny) were only 4% and 6% of the overall investments

⁵ SARL stands for « Société à responsabilité limitée » or limited liability company
 EURL stands for « Entreprise Unipersonnelle à responsabilité limitée » or individual limited liability enterprise
 SA stands for “Société anonyme” or limited company
 SAU stands for “Société anonyme unipersonnelle” or individual limited company

For each of the 5 Zones, more than 55% of investments have been achieved to renew or update the enterprise assets. The rates are 97% for the Region of Amoron'i Mania and 76% for Vakinankaratra (Zone 1).

These investments have been financed by capital equities for at least 80% of enterprises in the Regions of Vakinankaratra, Menabe and Boeny.

For Diana Zone, only 20% of formal enterprises have financed their investments by equity capital whereas 77% resort to money-lenders.

Financing their investments through bank credit is not thoroughly extended yet. Indeed, only one enterprise over three in the Region of Amoron'i Mania received bank loan to finance its investment. The rate does not exceed 6% for Zones 2, 3, 4 and 5 and Vakinankaratra reaches a modest 13%.

Funding from other financial institutions (including micro-finance) remains marginal: the highest rate is 4% in Zone 2.

Assumptions and Risks

Below is a brief list of the main assumptions and risks underlying the achievement of the Program Objectives as outlined in this M&E Plan. The purpose of this section is to highlight external factors that could affect program results and serve as the basis for a discussion about how the Program would react to the following conditions. It is not meant to excuse performance of the Program. A discussion of the assumptions and risks will be part of an orientation session for MCA-Madagascar staff.

Macroeconomic

- Exchange rate risk, in particular devaluation of the Ariary compared to strong currencies such as the US Dollar and Euro.
- Risk of erosion of the purchasing power of the population following rampant inflation:
 - stagnation or reduction in population's capacity to save
 - stagnation and/or reduction in the volume of mobilized saving
 - increase in cost of borrowing
- Risk of increased fuel prices eroding purchasing power and increasing transport costs in general.
- Effects of price changes in international markets affecting Madagascar's products (ex: Increase in the price of rice means increased import costs, reduction in the price of vanilla means a reduction in export prices.)
- Effects of increased competition in international markets specifically affecting certain Malagasy products (for example: textile products).

Legislative

- Assumption of timely and positive parliament action on bills related to banking, financial, non-financial, and land.

Reactions of Key Actors

- Assumption that financial institutions increase the volume of credit allowing for increased investment in rural areas.
- Assumption that local actors take ownership of the programs to be implemented
- Assumption that buyers and sellers honor ABC negotiated contracts

Climate

- Risk of natural disasters, cyclones in particular, in the Zones which would destroy harvests, infrastructures and equipment

Disaggregating Data

The following data related to the Project and Project Activity indicators will be disaggregated and reported in indicator tracking tables in quarterly reports and the M&E plan:

- Household income: disaggregated data by gender, age and income available after 2008-2009 and 2010 household survey
- Number of new land titles and certificates: disaggregated data by gender available starting in Q9
- Number of farmers and enterprises that adopt new technologies or engage in higher value production: data disaggregated data by gender and collected by the ABCs.
- Volume of MFI lending to farmers and MSMEs in the Zones: data on gender collected starting in Q14 from MFIs.
- Number of CPAs operating in Madagascar: data on gender and age available in Q16 from Superior Council of Accounting (CSC) report.
- Number of farmers and enterprises employing technical assistance received: data on gender available starting in Q7 from ABC database of beneficiaries. Farmer income data will be collected through 2008-2009 and 2010 household survey.

Data Quality Reviews

Data quality assessments will verify reported performance data by analyzing the accuracy, reliability, timeliness, and objectivity of performance data. Project managers and implementers of Project Activities are responsible for reporting data to the MCA M&E unit on the indicators set out in this Plan. The purpose of this type of assessment is to verify the quality and the consistency of performance data across different implementation units and reporting institutions.

The data quality review will be part of periodic performance audits. A second round of data quality review of all data sources used for project monitoring is planned for the first half of 2009. The first data quality assessment was done in 2006 by an independent consultant selected through a competitive procurement with the approval of the Steering Committee and by MCC. The assessment mainly covered data reported from implementation units (including DDSF, BCM, CEM, CSC, CSBF, ABC, MAEP) and data reported from INSTAT. Data quality reviews are posted on MCA-Madagascar website. (www.mcamadagascar.org)

Quarterly Reports

MCC new reporting guidance requires MCA-Madagascar to send to MCC on a quarterly basis the indicator tracking tables as part of the disbursement request package. A short narrative report will accompany the Disbursement Request package, outlining the major achievements or shortfalls. If the actual value of an indicator differs substantially from its target, an explanation will be provided in the narrative report.

Program Performance Report

MCA will hire a consultant to prepare a Performance Program Report at the end of the Compact. This report will be prepared in accordance with guidelines provided by MCC, which will take into consideration, among other things:

- a concise history of the program from proposal to completion;
- the performance of MCA in identifying and solving problems related to implementation and program management
- the qualitative analysis of factors and constraints that influenced program implementation, including technical, managerial, organizational, institutional and socio-economic policy issues, in addition to other external factors unforeseen during design;
- a preliminary assessment of the program's outcomes;
- the analysis of beneficiaries and their characteristics, including gender, age, and income level, and level of participation;
- lessons learned to improve future development policy and project implementation;
- the long-term sustainability of the program outcomes.

Budget for Monitoring & Evaluation Activities

(In US Dollars)	Year 1	Year 2	Year 3	Year 4	Year 5
	Aug '05 - June '06	July '06 – June '07	July '07 – June '08	July '08 – July '09	July '09 – July '10
Surveys					
National household and agricultural survey				550,000	881,000
Land project beneficiary survey				350,000	250,000
Data Quality Assessments	45,000			75,000	75,000
Capacity-building					
Capacity building for follow-up surveys for Ministry of Agriculture, Livestock and Fisheries (MAEP)		50,000	15,000		
Capacity building for follow-up surveys for local institutions National Institute of Statistics (INSTAT)		75,000			
Capacity building for ABC staff on data collection and treatment				20,000	20,000
Training on Monitoring and Evaluation	5,000	22,800			
Training for M&E staff (inc. Short-training abroad)	2,000	30,000	12,000		
MIS and IT					
Database software and Management Information Systems (MIS) implementation, training		70,000	25,000	25,000	
IT equipment and license		20,000	10,000	10,000	10,000
Other Data collection and analysis					
ABIP contractual farming baselines and small yield surveys	2,000	25,200	104,000		
Other data collection for Finance and Land Tenure Project indicators (cost and time of land procedures, information campaign evaluation, credit using land collateral, etc.)	21,000	90,000	150,000	125,000	150,000
Project completion analysis					60,000
TOTAL \$3 680 000	75,000	383,000	316,000	1,155,000	1,446,000

ANNEX 1: TABLES OF PROJECT PERFORMANCE INDICATORS

LAND TENURE PROJECT

Project Objective: Increase Land Security

1. Objective Indicators

Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Percentage of identified hectares secured with certificates in the Zones	Number of hectares secured with land certificates or “Actes de reconnaissance” of property rights by MCA-supported local Guichets Fonciers divided by the total number of hectares to be secured with certificates in the Zones by the end of the Compact	% Cumulative	Objective	Land Observatory	0% 12/31/05	Quarterly starting in Q7	100%
Percentage of identified hectares secured with titles in the Zones and Antananarivo	Number of hectares secured with titles by MCA-supported regional Land Administration Offices divided by the total number of hectares to be secured with titles in the Zones and Antananarivo by the end of the Compact	% Cumulative	Objective	Land Observatory	0% 12/31/05	Quarterly starting in Q7	100%

Area secured with land certificates in the Zones	Number of new hectares secured in the zones during the period with land certificates or “Actes de reconnaissance” of property rights	Hectares Incremental	Objective	Land Observatory	0 12/31/05	Quarterly starting in Q7	206,000 ha
Area secured with land titles in the Zones and Antananarivo	Number of hectares secured in the zones and Antananarivo during the period with new titles or updated and regularized property rights	Hectares Incremental	Objective	Land Observatory	0 12/31/05	Quarterly starting in Q7	44,000 ha

Indicator	Unit	Baseline	Annual Targets					End of Compact Target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Percentage of identified hectares secured with certificates in the Zones	%	0%	0%	1%	2%	42%	100%	100%
Percentage of identified hectares secured with titles in the Zones and Antananarivo	%	0%	0%	7%	21%	49%	100%	100%
Area secured with land certificates in the Zones	ha	0	0	1,555	2,782	81,436	120,227	206,000
Area secured with land titles in the Zones and Antananarivo	ha	0	0	3,122	6,093	12,286	22,499	44,000

2. Outcome Indicators

Activity a) Support the Development of the Malagasy National Land Policy Framework (PNF)

Objective	Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Promote knowledge and awareness of land tenure reforms among inhabitants in the Zones	Proportion of the population informed about land tenure reforms in the Zones	Number of people surveyed with knowledge of the land certification program divided by the total surveyed population who were exposed to the information campaign in the zones.	% Level	Outcome	Surveys	0% 12/31/05	Q9: Zones 1-2 Q17: Zones 3-5 Q20: All Zones	70% of exposed population.
Adoption of new land legislation that reflects a more coherent approach to land tenure reform	The framework law for the land tenure reform and defining the PNF is adopted	The "loi de cadrage" defining the principles governing land tenure and its reform is adopted by the Malagasy Parliament	Date	Process Milestone	Official Records	n/a	Once in December 2005	Completed
	The law on non-titled private property is adopted	The « Loi fixant le régime juridique des propriétés privées non titrées » is adopted by the Malagasy Parliament	Date	Process Milestone	Official Records	n/a	Once in January 2007	Completed

	The law concerning land in the public domain is adopted	The « Loi fixant le régime juridique du domaine public de l'Etat » is adopted by the Malagasy Parliament	Date	Process Milestone	Official Records	n/a	Once in July 2008	Completed
	The law regulating land in the state private domain is adopted	The « Loi régissant les biens du domaine privé de l'Etat et des Collectivités Publiques » is adopted by the Malagasy Parliament	Date	Process Milestone	Official Records	n/a	Once in July 2008	Completed
Adoption of new land legislation that reflects a more coherent approach to land tenure reform	The law concerning land with specific status is adopted	The « Loi fixant le régime juridique des terrains à statuts spécifiques » is adopted by the Malagasy Parliament	Date	Process Milestone	Official Records	n/a	Once in December 2008	Completed
	The law concerning titled private property is adopted	The « Loi fixant le régime juridique des propriétés privées titrées » is adopted by the Malagasy Parliament	Date	Process Milestone	Official Records	n/a	Once in December 2008	Completed
	The law regulating the independent surveyor's association is adopted	The « Loi réglementant l'ordre des géomètres libres à Madagascar » is adopted by the Malagasy Parliament	Date	Process Milestone	Official Records	n/a	Once in December 2008	Completed

Indicator	Unit	Baseline	Annual Targets					End of Compact Target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Percentage of targeted population informed about land tenure reforms in the Zones ^(*)	%	0	N/A	N/A	40%	N/A	70%	70%

^(*) 40% is the target set for Q9 (Zones 1-2) and 50% is the target set for Q17 (Zones 3-5). The 70% targeted in Q20 (End of Compact) is for all Zones.

Activity b) Improve the Ability of the Land Service Administration to Provide Land Services

Objective	Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Protect existing property rights records; improve ability to identify competing property claims and prioritization of property rights	Number of land documents inventoried in the Zones	Number of land documents inventoried in the zones	Number Incremental	Output	MCA contractors	0 12/31/05	Quarterly starting in Q6	222,082 documents
	Number of land documents inventoried in Antananarivo	Number of land documents inventoried in Antananarivo	Number Incremental	Output	MCA contractors	0 12/31/05	Quarterly starting in Q6	318,753 documents
	Number of land documents restored in the Zones	Number of usable land documents restored in the zones	Number Incremental	Outcome	MCA contractors	0 12/31/05	Quarterly starting in Q10	88,285 documents
	Number of land documents restored in Antananarivo	Number of usable land documents restored in Antananarivo	Number Incremental	Outcome	MCA contractors	0 12/31/05	Quarterly starting in Q10	106,583 documents
	Number of land documents digitized in the Zones	Number of usable documents digitized in the zones	Percent Incremental	Outcome	MCA contractors	0 12/31/05	Quarterly starting in Q10	88,285 documents

	Number of land documents digitized in Antananarivo	Number of usable documents digitized in Antananarivo	Percent Incremental	Output	MCA contractors	0 12/31/05	Quarterly starting in Q10	122,164 documents
Elimination of bottlenecks and delays in the present land registration system	Average time for Land Services Offices to respond to information request by a user	Time required on average for the regional land services offices in the 5 zones and in Antananarivo to issue a “Certificat de Situation Juridique”, the legal document defining the tenure status of a parcel of land	Days Level	Outcome	Land Observatory	9 12/31/05	Quarterly starting in Q14	5 days
Elimination of bottlenecks and delays in the present land registration system	Average time for Land Services Offices to subdivide a titled parcel into plots	Time required on average for the regional land services offices in the 5 zones and in Antananarivo to perform the operation of subdividing a piece of land with a title into plots	Days Level	Outcome	Land Observatory	260 12/31/05	Quarterly starting in Q14	130 days
	Average time for Land Services Offices to issue a duplicate copy of a title	Time required on average for the regional land services offices in the 5 zones and in Antananarivo to issue a duplicate of a land title	Days Level	Outcome	Land Observatory	79 12/31/05	Quarterly starting in Q14	40 days
	Average time for Land Services Offices to issue a new title	Time required on average for the regional land services offices in the 5 zones and in Antananarivo to issue a new title establishing property rights on a piece of land	Years Level	Outcome	Land Observatory	6 12/31/05	Quarterly starting in Q14	3 years

	Average cost to a user to obtain information on land legal status from the Land Services Offices	Cost to be paid on average by a user to the regional land services offices in the 5 zones and in Antananarivo to obtain a “Certificat de Situation Juridique”, the legal document defining the tenure status of a parcel of land	Ariary Level	Outcome	Survey data	18,000 12/31/05	Once in Q16 and once in Q19	9,000
	Average cost to a user to subdivide a titled parcel into plots	Cost to be paid on average by a user to the regional land services offices in the 5 zones and in Antananarivo to obtain the subdivision of an already titled land into plots	Ariary Level	Outcome	Survey data	312,000 12/31/05	Once in Q16 and once in Q19	156,000
Elimination of bottlenecks and delays in the present land registration system	Average cost to user to obtain a duplicate copy of a title from the Land Services offices	Cost to be paid on average by a user to the regional land services offices in the 5 zones and in Antananarivo for the issuance of a duplicate copy of a title	Ariary Level	Outcome	Survey data	222,000 12/31/05	Once in Q16 and once in Q19	111,000
	Average cost to a user to obtain a new title from the Land Services Offices	Cost to be paid on average by a user to the regional land services offices in the 5 zones and in Antananarivo for the issuance of a new title establishing property rights on a parcel of land	Ariary Level	Outcome	Survey data	1,334,000 12/31/05	Once in Q16 and once in Q19	667,000
Decentralization of Land Services	Number of loans using land certificates as collateral in the Zones	Number of loans granted by MFIs supported by MCA to land holders that are guaranteed by a land certificate issued in the MCA Zones	Number Level	Information	MFIs receiving support from MCA and Land Observatory	n/a	Every 6 months starting in Quarter 15	n/a

	Number of beneficiaries of land certificates in the Zones	Number of individuals receiving land certificates at the guichets fonciers	Number cumulative	Information	Land Observatory	n/a	Every quarter starting in Quarter 9	n/a
Improve the Ability of the Land Service Administration to Provide Land Services	Number of beneficiaries of titles in the Zones and Antananarivo	Number of individuals receiving land titles	Number cumulative	Information	Land Observatory	n/a	Every quarter starting in Quarter 12	n/a

Indicator	Unit	Baseline	Annual Targets					End of Compact target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Number of land documents inventoried in the Zones	Number	0	0	166,562	55,521	n/a	n/a	222,082
Number of land documents inventoried in Antananarivo	Number	0	0	239,065	79,688	n/a	n/a	318,753
Number of land documents restored in the Zones	Number	0	0	0	44,143	44,143	n/a	88,285
Number of land documents restored in Antananarivo	Number	0	0	0	106,583	N/A	n/a	106,583
Number of land documents digitized in the zones	Number	0	0	0	44,143	44,143	n/a	88,285

Number of land documents digitized in Antananarivo	Number	0	0	0	61,082	61,082	n/a	122,164
Average time for Land Services Offices to respond to information request by a user	Days	9	n/a	n/a	n/a	7	5	5
Average time for Land Services Offices to subdivide a titled parcel into plots	Days	260	n/a	n/a	n/a	208	130	130
Average time for Land Services Offices to issue a duplicate copy of a title	Days	79	n/a	n/a	n/a	63	40	40
Average time for Land Services Offices to issue a new title	Years	6	n/a	n/a	n/a	5	3	3
Average cost to a user to obtain information on land legal status from the Land Services Offices	Ariary	18,000	n/a	n/a	n/a	13,500	9,000	9,000
Average cost to a user to subdivide a titled parcel into plots	Ariary	312,000	n/a	n/a	n/a	234,000	156,000	156,000
Average cost to a user to obtain a duplicate copy of a title from the Land Services offices	Ariary	222,000	n/a	n/a	n/a	166,500	111,000	111,000
Average cost to a user to obtain a new title from the Land Services Offices	Ariary	1,334,000	n/a	n/a	n/a	1,000,500	667,000	667,000

Activity c) Decentralization of Land Management

Objective	Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Improve tenure security in rural communities	Percent of reported land conflicts resolved on non-titled land in the Zones	Number of claims opposing a land certification resolved divided by the total number of opposing claims reported by the guichets fonciers	% Level	Outcome	Land Observatory	0% 12/31/05	Quarterly starting in Q6	67%
Decentralization of Land Services	Number of land certificates delivered in the Zones during the period	Number of new land certificates delivered to a land owner by the guichets fonciers in the Zones	Number Incremental	Outcome	Land Observatory	0 12/31/05	Quarterly starting in Q7	212,000 certificates
	Number of new guichets fonciers operating in the Zones	Number of guichets fonciers capable of receiving land certificate requests from the population, meaning the guichet is equipped, staffed and having a PLOF	Number Incremental	Output	Land Observatory	0 12/31/05	Quarterly starting in Q4	256 guichets
	The 256 PLOFs are completed	All 256 « Plan Local d'Occupation Foncière » are completed and functional in each Guichet Foncier	Date	Process Milestone	Land Observatory	n/a	Once in March 2009	Completed
	Average time for the guichets fonciers to respond to information request from a user	Time required on average for the guichet foncier (local land office) to issue a legal document (Attestation de propriété certifiée) defining the legal status of a parcel of land,	Days Level	Information	Land Observatory	n/a	Quarterly beginning in Q14	n/a

Decentralization of Land Services	Average time for the guichets fonciers to subdivide a parcel with a certificate into plots	Time required on average for the guichet foncier (local land office) to subdivide a parcel of land already secured with a certificate into additional parcels	Days Level	Information	Land Observatory	n/a	Quarterly beginning in Q14	n/a
	Average time for the guichets fonciers to issue a duplicate copy of a certificate	Time required on average for the guichet foncier (local land office) to issue a duplicate copy of a land certificate	Days Level	Information	Land Observatory	n/a	Quarterly beginning in Q14	n/a
	Average time for the guichets fonciers to issue a land certificate	Time required on average for the guichet foncier (local land office) to issue a land certificate	Days Level	Information	Land Observatory	n/a	Quarterly beginning in Q14	n/a
	Average cost to a user to obtain land legal status from a guichet foncier	Cost to be paid on average by a user to a guichet foncier to obtain a legal document (Attestation de propriété certifiée) defining the legal status of a parcel of land	Ariary Level	Information	Land Observatory	n/a	Once in Q16 and once in Q19	n/a
	Average cost to a user to subdivide a parcel of land after the first land right at a guichet foncier	Cost to be paid on average by a user to a guichet foncier to subdivide a parcel of land already secured with a certificate into plots	Ariary Level	Information	Land Observatory	n/a	Once in Q16 and once in Q19	n/a
	Average cost to a user to obtain a duplicate copy of a land certificate at a guichet foncier	Cost to be paid on average by a user to a guichet foncier to obtain a duplicate copy of a land certificate	Ariary Level	Information	Land Observatory	n/a	Once in Q16 and once in Q19	n/a

Decentralization of Land Services	Average cost to a user to obtain a land certificate at a guichet foncier	Cost to be paid on average by a user to a guichet foncier to obtain issuance of a land certificate establishing property rights on a parcel of land	Ariary Level	Information	Land Observatory	n/a	Once in Q16 and once in Q19	n/a
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Indicator	Unit	Baseline	Annual Targets					End of Compact target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Percent of reported land conflicts resolved on non-titled land in the Zones	%	0%	67%	67%	67%	67%	67%	67%
Number of land certificates delivered in the Zones during the period	Number	0	0	1,780	3,280	84,090	122,850	212,000
Number of new guichets fonciers operating in the Zones	Number	0	1	15	19	221	0	256

FINANCE PROJECT

Project Objective: Increase competition in the financial sector

1. Objective Indicators

Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Number of savings accounts from CEM in the Zones	Total number of current savings accounts (new and existing) in CEM branches in the zones	Number Level	Objective	CEM	198,522 12/31/05	Quarterly starting in Q4	275,000 accounts
Outstanding value of savings accounts from CEM in the Zones	Total value of savings accounts at the end of the period in the CEM branches in the zones	Million MGA Level	Objective	CEM	MGA 26,865 million (\$13,432,727) 12/31/05	Quarterly starting in Q4	MGA 68,000 million (\$34,000,000)
Number of savings accounts from MFIs supported by the MCA Challenge Fund in the Zones	Total number of current savings accounts in microfinance institutions (MFIs) receiving assistance from the Challenge Fund in the zones	Number Level	Objective	MFIs	57,178 03/31/08	Quarterly starting in Q12	125,600 accounts
Outstanding value of savings accounts from MFIs supported by the MCA Challenge Fund in the Zones	Total value of savings accounts at the end of the period in the MFIs receiving assistance from the Challenge Fund in the zones	Million MGA Level	Objective	MFIs	MGA 2,343 million (\$1,464,208) 03/31/08	Quarterly starting in Q12	MGA 15,243 million (\$9,500,000)

Number of loans from MFIs supported by the Project in the Zones	Total number of current loans provided by MFIs benefiting from the Refinancing and Guarantee or the Challenge Funds in the zones	Number Level	Objective	MFIs	17,938 03/31/08	Quarterly starting in Q12	TBD ^(*)
Value of outstanding loans from MFIs supported by the Project in the Zones	Value of current loans (total minus repaid value) provided by MFIs benefiting from the Refinancing and Guarantee or the Challenge Funds in the zones	Million MGA Level	Objective	MFIs	MGA 8,181 millions (\$ 5,112,922) 03/31/08	Quarterly starting in Q12	TBD ^(*)

^(*) The baseline values have been provided by the CEM in February 2009. End of Compact and annual targets will be calculated and provided at the same time as the Q15 ITT (in June 2009).

Indicator	Unit	Baseline	Annual Targets					End of Compact Target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Number of savings accounts from CEM in the Zones	Number	198,522	n/a	n/a	225,406	241,648	275,000	275,000
Outstanding value of savings accounts from CEM in the Zones	MGA million	26,865	n/a	n/a	34,524	50,910	68,000	68,000
Number of savings accounts from MFIs supported by MCA Challenge Fund in the Zones	Number	57,178	n/a	n/a	n/a	113,461	125,600	125,600

Outstanding value of accounts from MFIs supported by MCA Challenge Fund in the Zones	MGA million	2,343	n/a	n/a	n/a	13,053	15,243	15,243
Number of loans from MFIs supported by the Project in the Zones	Number	17,938	n/a	n/a	n/a	TBD	TBD	TBD
Value of outstanding loans from MFIs supported by the Project in the Zones	MGA million	8,181	n/a	n/a	n/a	TBD	TBD	TBD

2. Outcome Indicators

Activity a) Promote Legal and Regulatory Reform

Indicator	Definition	Unit Type	Level	Data source	Baseline	Milestone date	Target by end of Compact
Banking and financial sector legislation submitted to Parliament	The following laws ^(*) of the legal and regulatory reform are submitted to the Malagasy Parliament. These are (1) Microfinance law; (2) Revisions to the Banking law; (3) Financial Market law	Date	Process	Official record	n/a	December 2008	Completed

^(*)Loi sur la microfinance, Révision de la loi bancaire, and Loi boursière, in French

Activity b) Reform Sovereign Debt Management and Issuance

Objective	Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Mobilize savings through creation of new treasury bills	Amount of government debt issued with maturities in excess of 52 weeks	Amount of government debt with maturities of more than 1 year issued by the Treasury to finance the fiscal deficit	Million \$ Cumulative	Outcome	Central Bank	0 12/31/05	Annually starting in Y4	\$50 million
	Number of Central Bank branches capable of accepting auction tenders	Total number of branches of the Central Bank that are accepting auction tenders.	Number Incremental	Outcome	Central Bank	2 12/31/05	Quarterly starting in Q10	11

Indicator	Unit	Baseline	Annual Targets					End of Compact Target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Amount of government debt issued with maturities in excess of 52 weeks (*)	Million \$	0	n/a	n/a	n/a	TBD	TBD	50
Number of BCM branches capable of accepting auction tenders	Branches	2	n/a	n/a	5	0	4	11

(*) The annual targets for this indicator will be set once the recommendations from the OTA's technical assistance, scheduled for January 2009, are received.

Activity c) Strengthen the National Savings Bank (CEM)

Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Number of CEM branches built in the Zones	Number of new CEM branches opened in the zones with the assistance of MCA	Number, Incremental	Output	CEM	0 12/31/05	Once in Q14 Once in Q16	4

Indicator	Unit	Baseline	Annual Targets					End of Compact Target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Number of CEM branches built in the Zones	Number	0	n/a	n/a	n/a	3	1	4

Activity d) Provide New Instruments for Agribusiness Credit

Objective	Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Public awareness of financial instruments in the Zones	Percentage of population aware of financial services offered by MFIs in the zones	Percentage of surveyed population aware of financial services offered by MFIs in the zones following their information campaign	Percent Cumulative	Outcome	Surveys	No baseline available	Once in Q14 and once in Q17	60%
Assist Participating Financial Institutions to facilitate access of the rural population to financial services	Number of MFIs participating in the Refinancing and Guarantee funds	Number of MFIs accredited to receive the refinancing and guarantee fund from MCA during the period	Number Incremental	Output	CEM	0 03/31/08	Once in Q13 and once in Q16	7
	Value of refinancing loans and guarantees issued to participating MFIs	Value of refinancing loans and guarantees provided to the accredited MFIs by the Refinancing and Guarantee Fund	Million MGA Level	Output	CEM	0 03/31/08	Quarterly starting in Q13	MGA 6,000 millions (\$3,000,000)
Improved stability of MFIs	Portfolio-at-risk rate (90 days) of MFIs	Value of loans with repayment delays of more than 90 days over the total value of outstanding loans provided by the MFIs participating in the Refinancing and Guarantee Fund	Percent Level	Outcome	MFIs	12% 12/31/05	Once at the end of Y5	6%

Indicator	Unit	Baseline	Annual Targets					End of Compact Target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Percentage of population aware of financial services offered by MFIs in the zones	%	Non-available	n/a	n/a	n/a	40%	60%	60%
Number of MFIs participating in the Refinancing and Guarantee funds	Number	0	n/a	n/a	n/a	7	n/a	7
Value of refinancing loans and guarantees issued to participating MFIs	Million MGA	0	n/a	n/a	n/a	6,000	6,000	6,000
Portfolio-at-risk rate (90 days) of MFIs	%	12%	n/a	n/a	n/a	n/a	6%	6%

Activity e) Modernize the National Interbank Payments System

Objective	Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Increased confidence in payment system	Maximum check clearing delay	Number of days necessary to process transactions between banks (checks or fund transfers)	Days Level	Outcome	Central Bank	45 12/31/05	Quarterly starting in Q17	3

	Volume of funds processed annually by the national payment system	Total value of transactions processed between banks (checks, fund transfers) after implementation of the national payment system during the year	Billion MGA Level	Outcome	Central Bank	6,145 Billion MGA 12/31/06	Quarterly starting in Q17	10,535 Billion MGA	
	Number of transactions processed annually by the national payment system	Total number of transactions processed between banks (checks, fund transfers) after implementation of the national payment system during the year	Number Level	Outcome	Central Bank	2,330,000 12/31/06	Quarterly starting in Q17	4,396,000 transactions	
	The components necessary to implement the national payment system are operational	Network equipment and integrator		Date	Process	Central Bank	n/a	April 2009	Completed
		Real time gross settlement system (RTGS)		Date	Process	Central Bank	n/a	July 2009	Completed
		Retail payment clearing system		Date	Process	Central Bank	n/a	July 2009	Completed
		Telecommunication facilities		Date	Process	Central Bank	n/a	May 2009	Completed

Indicator	Unit	Baseline	Annual Targets					End of Compact Target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Maximum check clearing delay	Day	45	n/a	n/a	n/a	n/a	3	3
Volume of funds processed by the national payment system	Billion MGA	6,145	n/a	n/a	n/a	n/a	10,535	10,535

Number of transactions processed by the national payment system	Number	2,330,000	n/a	n/a	n/a	n/a	4,396,000	4,396,000
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Activity f) Improve Credit Skills Training; Increase Credit Information and Analysis

Objective	Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Increase the number of CPAs operating in Madagascar	Number of accountants and financial experts registered to become CPA	Number of accountants and financial experts that are registered to the 3-year professional course in accounting and financial audit, accredited by the CSC	Number Cumulative	Output	CSC	62 12/31/05	Once in Y4 and once in Y5	120 people
Increased reliability of financial information	Percent of MFI loans recorded in the Central Bank database	Percentage of MFI loans recorded in the Microfinance Credit Bureau	Percent Level	Outcome	Central Bank	0% 12/31/05	Once in Q15	95%

Indicator	Unit	Baseline	Annual Targets					End of Compact Target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	

Number of accountants and financial experts registered to become CPA	Number	62	n/a	n/a	n/a	90	120	120
Percent of MFI loans recorded in the Central Bank database	%	0%	n/a	n/a	n/a	50%	95%	95%

AGRICULTURAL BUSINESS INVESTMENT PROJECT (ABIP)

Project Objective: Improve production technologies and market capacity in the rural areas

1. Objective Indicators

Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Number of farmers that adopt new technologies or engage in higher value production	Number of producers that have received training on a package of new techniques and are utilizing the whole package of key techniques for at least two production seasons ^(*)	Number Incremental	Objective	ABCs and MCA contractor	0 12/31/05	Quarterly starting in Q17	12,800 farmers
Number of enterprises that adopt new technologies or engage in higher value production	Number of businesses, farm associations or cooperatives that have received training on a package of new techniques and are utilizing the whole package of techniques for at least two production seasons ^(*)	Number Incremental	Objective	ABCs and MCA contractor	0 12/31/05	Quarterly starting in Q17	300 businesses
Change in farm income due to improved production and marketing practices	Change in net value of agricultural production (value of production minus cost of inputs) of farmers who are applying the crop-specific package of new techniques promoted by the Project	% Level	Objective	Survey data	0% 12/31/05	Every 6 months starting in Quarter 13	20%

Change in enterprise income due to improved production and marketing practices	Change in net revenues from sales of agricultural products (total value of sales minus cost of production) of businesses, farm associations or cooperatives who are applying the packages of techniques promoted by the Project	% Level	Objective	Survey data	0% 12/31/05	Every 6 months starting in Quarter 13	30%
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(*)Sets of improved techniques have been identified for each targeted value chain, as described in Annex 3. In order to reach the desired productivity increase, farmers and businesses need to use the whole package of techniques together. Hence, adoption is narrowly defined as employing all the techniques and not a subset of them.

Indicator	Unit	Baseline	Annual Targets					End of Compact Target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Number of farmers that adopt new technologies or engage in higher value production	Number	0	n/a	n/a	n/a	6,400	6,400	12,800
Number enterprises that adopt new technologies or engage in higher value production	Number	0	n/a	n/a	n/a	150	150	300
Change in farm income due to improved production and marketing practices	%	0%	n/a	n/a	n/a	11%	20%	20%
Change in enterprise income due to improved production and marketing practices	%	0%	n/a	n/a	n/a	16%	30%	30%

2. Outcome Indicators

Activity a) Create and Operate 6 Agricultural Business Centers (ABCs)

Objective	Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Development of business plans	Number of business plans prepared	Number of new business plans submitted to a MFI by a farmer, a group of farmers, or an enterprise with the assistance of the Project to obtain credit for an agricultural season	Number Incremental	Output	NCC	0 12/31/05	Every 6 months starting in Q4	1,213 plans
Improved market and technology information. Increased entrepreneurship	Number of farmers receiving technical assistance	Number of farmers receiving training on a crop-specific package of techniques (production, management, processing, and marketing)	Number Incremental	Output	ABCs	0 12/31/05	Quarterly starting in Q4	32,000 farmers
	Number of farmers employing technical assistance	Number of farmers that have received training on a package of crop-specific techniques and are applying those techniques during the current production season ^(*)	Number Incremental	Outcome	ABCs	0 12/31/05	Quarterly starting in Q7	12,800 farmers
	Number businesses receiving technical assistance	Number of businesses, farm associations, or cooperatives receiving training on a package of value chain-specific techniques	Number Incremental	Output	ABCs	0 12/31/05	Quarterly starting in Q7	300 enterprises

	Number businesses employing technical assistance	Number of businesses, farm associations, or cooperatives that have received training on a package of value chain-specific techniques and are applying those techniques during the current production season ^(*)	Number Incremental	Outcome	ABCs	0 12/31/05	Quarterly starting in Q7	300 enterprises
Improved sustainability of agribusiness development supports	Number of ABC cooperative members	Number of people becoming members of the newly-formed cooperatives to manage the ABCs	Number Level	Output	ABC Cooperatives	0 30/06/2009	Quarterly starting in Q17	4,500 members
	Number of ABC cooperative members trained in new techniques	Number of cooperative members receiving training in production, farm management, and marketing	Number Level	Output	ABC Cooperatives	0 30/06/2009	Quarterly starting in Q17	4,500 members
	Volume of crop production commercialized by the ABC cooperatives	Quantity of agricultural products promoted by the cooperatives and commercialized in local and export markets	Tons Level	Outcome	ABC Cooperatives	0 30/06/2009	Every 6 months starting in Q17	1,800 tons
	Turnover sales on high value commodities made by the ABC cooperatives	Value of sales of agricultural products promoted by the cooperatives and commercialized in local and export markets	Million MGA, Level	Outcome	ABC Cooperatives	0 30/06/2009	Every 6 months starting in Q17	1,350 million MGA

^(*) See note above on adoption.

Indicator	Unit	Baseline	Annual Targets					End of Compact Target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Number of business plans prepared	Number	0	n/a	300	692	221	0	1,213
Number of farmers receiving technical assistance	Number	0	n/a	10 900	17,700	3,400	0	32,000
Number of farmers employing technical assistance	Number	0	n/a	2,180	4,641	5,979	0	12,800
Number businesses receiving technical assistance	Number	0	n/a	80	185	35	0	300
Number businesses employing technical assistance	Number	0	n/a	80	154	66	0	300
Number of ABC cooperative members	Number	0	n/a	n/a	n/a	n/a	4,500	4,500
Number of ABC cooperative members trained in new techniques	Number	0	n/a	n/a	n/a	n/a	4,500	4,500
Volume of crop production commercialized by the ABC cooperatives	Tons	0	n/a	n/a	n/a	n/a	1,800	1,800
Turnover sales on high value commodities made by the ABC cooperatives	MGA million	0	n/a	n/a	n/a	n/a	1,350	1,350

Activity b) Create NCC, Coordinate Activities with Government Ministries and ABC's, and Identify Zones

Objective	Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Improve ability of the government to implement the Agriculture Master Plan	Number of MAEP agents trained in marketing and investment promotion	Number of representatives of MAEP in Antananarivo and the regions trained in the promotion of agribusiness	Number Incremental	Process	NCC	0 12/31/05	Once in Q10 and once in Q11	42 agents
	Zones identified and description of beneficiaries within each Zone submitted	The six intervention zones are selected through consultative process and the socio-economic and demographic characteristics of the rural population in the zones are provided from surveys.	Date	Process	NCC, INSTAT surveys	n/a	September 2006	Completed
	ABC/NCC linkage plan in place	The design of the ABC network and NCC activities is completed	Date	Process	NCC	n/a	September 2006	Completed
	NCC created	The NCC is officially created with a legal status and can provide assistance to the ABCs	Date	Process	NCC	n/a	September 2006	Completed
	Business plan for NCC prepared	The business plans of the NCC and ABC cooperatives, describing their marketing strategy and financial projections is completed	Date	Process	NCC	n/a	June 2008	Completed

Indicator	Unit	Baseline	Annual Targets					End of Compact Target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Number of MAEP agents trained in marketing and investment promotion	Number	0	n/a	n/a	42	n/a	n/a	42

Activity c) Identify Investment Opportunities

Objective	Indicator	Definition	Unit Type	Level	Data source	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Identify agribusiness opportunities	Number of people receiving information from ABCs on business opportunities	Number of people visiting the ABCs or agricultural fairs organized by the ABCs and receiving information on new production or marketing techniques or farmers' association management	Number Incremental	Output	ABC	0 12/31/05	Quarterly starting in Q4	14,800 people
	Zonal investment strategies for the Zones are developed	The document identifying the key productive infrastructure for creating economic opportunities for targeted value chains is completed	Date	Process	NCC	n/a	June 2009	Completed

Indicator	Unit	Baseline	Annual Targets					End of Compact Target
	Unit	Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Number of people receiving information from ABC on business opportunities	Number	0	n/a	3,200	4,873	5,193	1,534	14,800

Activity d) Build Management Capacity in the Zones

Objective	Indicator	Definition	Unit Type	Level	Source/ Methodology	Baseline Value and Date	Frequency of Data Collection	Target by end of Compact
Increased formalization of enterprises	Number of ABC clients who register as formal enterprises, cooperatives, or associations	Number of farmer associations, cooperatives, or small enterprises registered with the communes and district authorities with the support of the ABCs.	Number Incremental	Output	ABCs	0 31/12/2005	Quarterly starting in Q4	597 clients
	Number of marketing contracts of ABC clients	Number of contracts signed by ABIP clients (individuals, farmers' associations, or cooperatives) with input or equipment suppliers or buyers of agricultural products	Number Incremental	outcome	ABCs	0 31/12/2005	Quarterly starting in Q4	924 contracts

Indicator	Unit	Baseline	Annual Targets					End of Compact Target
		Year 0	Year 1 Q1-Q4	Year 2 Q5-Q8	Year 3 Q9-Q12	Year 4 Q13-Q16	Year 5 Q17-Q20	
Number of ABC clients who register as formal enterprises, cooperatives, or associations	Number	0	n/a	200	259	138	0	597
Number of marketing contracts of ABC clients	Number	0	n/a	300	447	177	0	924

ANNEX 2: CALCULATION OF BASELINE AND TARGETS

Compact Indicator Targets

Household income in the Zones

These income targets will be estimated for the beneficiaries of the ABIP and Land Tenure Projects and of integrated activities of the three MCA Projects but not for the entire population in the zones. In the second version of the M&E plan, the household income targets were estimated from a three-year projection of the 2005 household income baseline for each region. Due to implementation delay of the ABIP and Land Tenure projects which effectively extended their activities in early 2008, the horizon of the income increase expected is limited to 2 years (agricultural seasons in 2008-2009 and 2009-2010). Therefore, revisions of the household income target calculations should take into account this limited period of intervention. Upcoming results of the first surveys of ABIP and Land Tenure Project beneficiaries in Year 4 will be used to refine the hypothesis derived from the regression analysis of the 2005 household income data. The new calculations from these surveys will allow estimating the level of income increase at the end of the Compact, based on the agricultural and socioeconomic characteristics of these beneficiaries.

New Investment in the Zones

New calculations of the Compact target for new investment made by farmers and MSMEs will be done in early 2009 once the baseline data collected from the two surveys (agricultural and land impact evaluation surveys) are available.

Agricultural output per hectare

The 2005 INSTAT/MAEP Agricultural Productivity survey provided the baselines of yield for rice (paddy), maize, potato and milk. Various technical assistance packages will be developed and extended by the ABCs to the farmers and MSMEs to increase their productivity by 50% or higher. Highly effective rice culture system such as SRI (Intensive Rice cultivation System) can produce three times the yield of the traditional rice plantation. However, at a certain rate, the increase of agricultural output per hectare will remain constant. A common target of 50% increase of agricultural output was set to manage the fluctuations of yields of each crop in each region.

Land Tenure Indicator Baselines and Targets

Area Secured with Land Titles or Certificates in the Zones Indicators

The target for the total area to be secured under the Land Tenure Project during the Compact includes the area with certificates or “actes de reconnaissance” of private properties issued by the guichets fonciers supported by the MCA-LT project, and the area with new titles approved or regularized titles⁶ from the Land Services (Domain and Topographic Services) supported by the MCA-LT project.

1) Estimates of the target for land area with certificates are based on the performance as of June 2008 of the first 19 guichets fonciers established by MCA. These estimates are in line with tasks set for the LT 034 and LT 035 contracts, assisting the guichets fonciers:

- Number of land certificates monthly delivered by one guichet foncier: 20 certificates in Q4-Q12; 30 starting in Q13 and 40 afterwards (see next table). For the case of 30 guichets with delayed orthophotos, the number of certificates delivered will be 30 per month until they have and can use those orthophotos. New strategy to increase the number of land certificates issued will be adopted in Q13 to certify massive areas in a more collective approach in the villages.
- Number of guichets fonciers (including the CRIF or *Centres de Ressources et d'Informations Foncières*) created by the end of the Compact: 256. The communes which are beneficiaries of the guichets fonciers were selected with the regional authorities and the PNF to set the number of guichets.
- Timeline: all guichets are expected to be fully operational by the end of 2008.
- The average plot area secured by certificate or *acte de reconnaissance* varies between 0.5-1.5 hectares (2005 Agricultural Productivity Survey by INSTAT/MAEP)

Using these hypotheses, the estimated number of hectares to be secured by certificates delivered by the guichets fonciers in all MCA zones is 206,000 ha.

Quarters	Number of operational guichets fonciers	Number of certificates delivered monthly per guichet foncier
Q4-Q12	19	20
Q13	19 30 without orthophotos	30 30
Q14	226	40

⁶ For new titles, hectares are included in the calculation once the application is approved by the Minister or the Chef de region. This is the first important step in issuing a title. For regularized titles, since these have been approved in the past but were never fully recorded, the activity focuses on ensuring they get recorded in the land book, the last step before the owner can obtain his or her title. Here, the hectares are included in the calculation once these titles are recorded in the land book. .

	30 without orthophotos	30
Q15-Q20	256	40

2) The area with approved titles as a result of MCA's support to modernization of regional Land Administration Services in the Zones and the area secured with the regularization activities of previously titled land are added to the target of total area secured. The target of 44,000 hectares of land secured with titles is based on the observation that the size of the parcels subject to regularization can reach hundreds of hectares even thousands of hectares. Thus 44,000 is a realistic target given the large average size of these titled lands and the number of titles to be regularized and new titles to be approved by the end of the Compact.

The total area to be secured with titles or certificates amounts to 250,000 hectares by the end of the Compact.

The following table explains the calculations of the total area to be secured with land certificate (206,000 ha):

GF: Guichet foncier

LC: Land certificate

	All Zones	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Observations
Nb GF 2007	19	14	2	1	1	1	
Nb LC 2007	2,780	1050	350	180	100	100	Number of LC estimated according to the date of effective certificate issuance in 2007
Nb GF Q11 2008	19	14	2	1	1	1	
Nb LC Q11 2008	1,140	840	120	60	60	60	20 LC x 19 GF x 3 months
Nb GF Q12 2008	19	14	2	1	1	1	
Nb LC Q12 2008	1,140	840	120	60	60	60	20 LC x 19 GF x 3 months
Nb GF Q13- 2008	49	39	7	1	1	1	
Nb LC Q13- 2008	3,510	2,760	480	90	90	90	(19 GF x 30 x 3 months) + (30 GF x 30 LC)
Nb GF Q14 2008	256	129	31	47	22	27	
Nb LC Q14 2008	19,140	10,770	3,050	2,360	1,800	1,160	(30 LC x 30 GF without orthos x 3 months)+ (87 GF x 40 LC x 3 months) +(62GFx 40LCx2 months)+(26GFx4 OCF)
Nb GF Q15-16 2009	256	129	31	47	22	27	
Nb LC Q15-16 2009 (40 LC/month)	61,440	30,960	7,440	11,280	5,280	6,480	40 LC x 256 GF x 6 months
Nb GF Q17-20 2009	256	129	31	47	22	27	
Nb LC Q17-Q20 2010 (40 LC/month)	122,880	62,620	14,880	23,060	10,560	12,960	40 LC x 256 GF x 12 months
Total Nb LC end of Compact	212,030	110,140	26,440	36,590	17,950	20,910	

	212,000	110,000	26,000	37,000	18,000	21,000	
Average plot area (hectare)		0.6	1.5	1	1.7	1.6	
Area to certify (hectare)	205,705	65,484	39,660	36,590	30,515	33,456	
Rounded area to certify (hectare)	206,000	65,000	40,000	36,000	31,000	34,000	

Number of Land Documents Inventoried, Restored, and Digitized in the Services Fonciers Indicators

	Zones 1-2	Zones 3-5	MCA Zones	Antananarivo	
				Land Services (Service des Domaines)	Topographic Service (Service Topographique)
Number of land documents inventoried	85,229	136,853	222,082	318,753	
<u>Documents to be restored</u>					
Contract LT034/035	36,306	51,979	88,285	-	106,265
Contract LT068	-	-	-	318	-
<u>Documents to be digitized:</u>					
Contract LT034/035	36,306	51,979	88,285	-	106,265
Contract LT068	-	-	-	15,899	-

The number of land documents inventoried in the Land Administration Services in the Zones and Antananarivo were respectively 222,082 and 318,753. For information purposes, the total number of land documents inventoried nation-wide was 876,364 (Source: Rapport final – Inventaire et classement des archives foncières – CITE).

The number of usable land documents to be restored and digitized refers to those documents whose physical condition permitted their restoration and digitization. Usable documents were estimated to be 75% of those inventoried in the Zones and in Antananarivo. The 25% that were deemed not usable were too damaged or destroyed.

Among those documents inventoried (and determined to be usable), land files (new and existing land titles) and land books held by the Land Administration Services, individual plans, and cadastral plans from the Topographic Services are being restored and digitalized. Special files, cadastral files, cadastral matrices and the collective boundary marking reports will not be restored or digitalized.

The number of documents to be restored and digitized in the Zones is 88,285 under contracts LT034 (36,306 documents) and LT035 (51,979 documents).

For Antananarivo, the number of documents to be restored at the 3rd Office of the Land Services (the only one supported by MCA) and the Topographic Service is 106,583, including 318 land books from the Land services to be restored under contract LT068. The number of documents to be digitalized is 122,164 documents,

including 106,265 documents from the Topographic Services and 15,899 held at the 3rd Office of the Land Services⁷.

Time and Cost of Land Transactions Indicators

Transactions related to land titles, undertaken by the Regional Land Services^(*)

Land administration services	Respond to information request		Issue a duplicate copy of title		Subdivide land		Issue new title		
	Average cost (USD)	Average time (day)	Average cost (USD)	Average time (day)	Average cost (USD)	Average time (day)	Average cost (USD)	Average time (day)	Average time (years)
Antananarivo	2	11	168	34	139	38	1,650	2,069	6
Zone 1 - Vakinankaratra/ Amoron'i Mania	7	3	84	90	46	36	310	617	2
Ambatolampy	7	10	74	15	41	15	232	657	2
Antsirabe	8	6	77	17	43	23	243	566	2
Ambositra	9	1	182	50	156	415	892	2,703	8
Fandriana	4	1	80	182	54	95	525	NA	NA
Zone 2 - Menabe	6	5	66	15	40	15	732	2,805	8
Morondava	6	5	66	15	40	15	732	2,805	8
Zone 3 - Atsinanana	9	21^(**)	113	24^(**)	209	657	337	3,372	9
Toamasina	14	21	67	24	125	148	262	3,316	9
Vatomandry	4	1	159	2	293	1165	411	3,428	10
Zone 4 - Boeny	20	10	148	242	307	266	667	2,537	7
Mahajanga	20	10	148	242	307	266	667	2,537	7
Zone 5 - Diana	8^(***)	5^(***)	86	68	197	545	307	1,448	4
Antsiranana	8	5	97	103	152	990	328	1,228	3
Nosy Be	30	1	75	33	243	100	285	1,668	5
All Zones	9	9	111	79	156	260	667		6

(*) Sources: “Les données de référence sur les coûts et temps moyens requis pour l’exécution des procédures foncières Zones 1-2” by ECR done in July 2006, “Les données de référence sur les coûts et temps moyens requis pour l’exécution des procédures foncières Zones 3-5” by ECR done in January 2008

(**) For zone 3, the data from Toamasina were taken as reference instead of averaging two extreme values from Toamasina and Vatomandry land service which presented already the best time performance in issuing information and a copy of title ;

(***) For zone 5, the data from Antsiranana were taken as reference instead of averaging two extreme values from Antsiranana and Nosy be land service which presented already the best time performance in issuing information;

NA: data not available

⁷ The restoration and digitalization of land documents at the 1st and 2nd offices of the Land Services of Antananarivo will be done by PGDI (Program of Governance and Institutional Development).

A review of the files processed by the Land Administration Services in the Zones was conducted by the firm ECR under contracts M&E004 and M&E012. The objective of these contracts was to obtain the average time and cost of land transactions processed by these services.

A modified version of the World Bank's Doing Business methodology was used. It consisted in:

- Recording the actual and objectively verifiable times of the services provided and calculating the average value of such times;
- Identifying the cost and expenses incurred by the beneficiaries of these services and conducting a survey on a representative sample of beneficiaries to calculate the average value of the costs.

The average time and cost were estimated for the following operations:

- Issuance of « *Certificat de situation juridique* », which is the legal document defining the tenure status of a parcel of land;
- Subdividing a piece of land with a title into plots;
- Issuance of a duplicate of a land title;
- Issuance of a new title establishing property rights on a piece of land.

The average time for each operation was estimated by calculating the average difference between the dates an application is recorded in the logbook and the dates the Land Service issues the final officially signed document (legal position certificate or land titles).

Costs borne by users of the Land Administration Services include:

- Duties and fees applicable to each service;
- The total amount of transportation fares paid for making and following up the application, and obtaining the titles or certificates of legal status
- Fees paid by the applicant to a third party to make the application on his/her behalf or to follow up with the application;
- Non official payments made to the agents of the topographic services for mapping and/or establishing plans;
- The opportunity cost of not obtaining the certificates of legal status in a timely way;
- Other fees paid to authorities at the decentralized collectivities or other authorities to speed up the processing of an application.

Transactions related to land certificates undertaken by Guichets Fonciers

At the local land offices level, the average cost and lead time of the following operations are estimated:

- Issuance of “*Attestation de propriété certifiée*”, which is the legal document determining that a parcel is certified;
- Subdividing a piece of land with a certificate into plots;
- Issuance of a duplicate of a land certificate;
- Issuance of a new land certificate.

The average time for issuing a certified property certificate is collected in the logbook kept by the agents of the guichet foncier. The logbook tracks all the steps in processing an application for a certificate. The costs related to the operations made by users are made up only of official fees applied by each local land offices as set by the Municipal Council.

Information on the costs of issuing the certified property certificates will be collected in the Parcel Folder of the concerned parcel. The copy of the payment receipts in the folder will serve as supporting documents of the fees paid.

As regards subdividing, issuance of a duplicate of land certificate and a new land certificate, the average time will be estimated by calculating the difference between the dates of issuance of the land certificates (or duplicates) as recorded in the Parcel Register and the dates of submission of applications as recorded in the Logbook.

The average cost of operations on land certificates will be calculated based only on official costs borne by users. These costs, made up of file processing costs and operations costs set by the Municipal Council, are found in the register of applications for new certificates or in the certificate file (*chemise parcellaire*) for duplicates or transfer of certificates. Supporting documents are the payment receipts included in the files.

In addition to data collected directly from the guichets fonciers on average land transaction time and cost as described above, a survey will be conducted on a sample of guichets fonciers using the same methodology as in the baseline study on time and cost of land procedures at the services fonciers. This will allow a comparison of time and cost between transactions at the regional Services Fonciers on titled property and transactions at the guichets fonciers on property secured by certificates.

Finance Indicator Baselines and Targets

New targets for MCA beneficiaries (farmers and MSMEs) were set to take into consideration the effect of the Challenge Fund and the refinancing and guarantee fund of \$3,000,000 on the level of credits and savings in MCA zones. The eligible MFIs benefiting from these funds were asked to set their saving targets from 03/31/2008 (baselines) to 06/30/2010; the total projection of credit by the end of Compact will be determined in Q14 when the official reports from the MFIs are available on the credits allocated until 03/31/2008.

The value of saving accounts of the MFIs supported by the Challenge Fund represents the mandatory savings of 15% of agricultural credit allocated to the farmers and the new savings created through the extension of the MFIs agencies. The current MFIs receiving the Challenge Fund are

- CECAM Tana, Vakinakaratra/Amoron'I Mania (zone 1), Menabe (zone 2)
- OTIV Vakinakaratra (new branches)/Amoron'I Mania (zone 1), women group in Atsinanana (zone 3,)
- AECA Boeny (zone 4)

Projections on Savings Accounts at the MFIs, 2008-2010

MFIs	BASELINE	TARGETS (cumulative)	
	03/31/2008	06/30/2009	06/30/2010
<u>CECAM</u>			
Nb of savings accounts	39,781	35,446	36,770
Outstanding savings (MGA)	1,912,336,791	2,914,845,759	3,738,090,699
<u>CECAM zone 2</u>			
Nb of savings accounts	7,783	8,025	8,226
Outstanding savings (MGA)	14,746,271	32,130,000	38,677,023
<u>OTIV zone 1</u>			
Nb of savings accounts	54	5,492	7,401
Outstanding savings (MGA)	38,729,503	726,925,124	979,599,633
<u>OTIV Zone 3</u>			
Nb of savings accounts	5,687	54,363	66,866
Outstanding savings (MGA)	274,878,629	9,119,618,917	10,303,700,085
<u>AECA Zone 4</u>			
Nb of savings accounts	3,873	10,135	6,337
Outstanding savings (MGA)	102,070,454	259,101,922	182,549,081
<u>TOTAL:</u>			
Nb of savings accounts	57,178	113,461	125,600
Outstanding savings (MGA)	2,342,761,648	13,052,621,722	15,242,616,521

Source: OTIV, CECAM and AECA, July 2008

Targets for CEM were based on the following annual rate of increase of the volume of savings with MCA assistance from December 2006 onward: between 5% and 65% depending on the previous performance of the branch and the economic opportunities in the region. The new branches will be open in late 2008 and will increase the number of accounts by 1/3 of clients serviced by the old branch

network in 2008. Every new account open will add up to \$62.5 of average annual savings in zones 3 and 5 while \$32.5 in zone 1. Therefore, the improvement of the CEM services through upgraded information system of all 7 branches and new 4 branches created with MCA support will increase by 14% their client base and by 37% the outstanding savings in 2010 compared to the situation in December 2007. We assume that these increases are attributed to MCA supports whereas the without project scenario shows a total savings increase by 12% for the number of accounts and 28% for the outstanding savings in 2010.

Savings Accounts at the CEM Indicators

INDICATORS FOR CEM	ACTUAL			PROJECTION		
	12/31/05 (Baseline)	12/31/06 (Q6)	12/31/07 (Q10)	12/31/08 (Q14)	12/31/09 (Q18)	06/30/10 (Q20)
<u>VAKINANKARATRA & AMORON'I MANIA</u>						
Nb savings accounts	60,431	65,697	69,341	74,195	80,399	83,498
Outstanding savings USD	2,945,081	3,447,781	3,778,064	5,390,722	6,209,487	6,713,522
<u>ATSINANANA</u>						
Nb savings accounts	58,779	62,184	65,749	70,344	77,675	80,552
Outstanding savings USD	5,192,688	5,696,959	6,427,905	9,304,084	11,017,052	11,855,778
<u>DIANA</u>						
Nb savings accounts	28,383	30,247	31,862	34,252	38,170	40,460
Outstanding savings USD	2,012,401	2,459,123	2,639,475	4,025,200	5,123,531	5,892,060
<u>BOENY</u>						
Nb savings accounts	44,670	47,075	49,817	53,553	57,838	61,308
Outstanding savings USD	3,005,749	3,421,571	3,868,537	5,899,518	7,374,398	8,480,557
<u>MENABE</u>						
Nb savings accounts	6,516	7,646	8,894	9,561	10,326	10,945
Outstanding savings USD	214,926	371,775	548,364	836,255	1,045,319	1,202,116
<u>Total ZONES MCA</u>						
Nb savings accounts	198,779	212,849	225,663	241,905	264,407	276,763
Outstanding savings USD	13,370,844	15,397,209	17,262,344	25,455,779	30,769,787	34,144,035
<u>TOTAL NATIONAL</u>						
Nb savings accounts	833,859	885,649	924,831	971,073	1,034,192	1,067,804
Outstanding savings USD	56,210,807	63,454,243	81,475,631	119,667,334	143,600,800	157,960,880

ABIP Indicator Baselines and Targets

Number of Farmers Receiving technical assistance

The ABIP budget for direct interventions in the field is \$ 6,431,420. This amount is the real cost incurred to ensure technical assistance to each beneficiary (cost of training, cost of market study, etc.). Fixed costs (communication, equipment, etc.) were not included in the calculations of the beneficiaries because these expenses have to be engaged whatever is the number of beneficiaries so they will not vary much. The direct intervention cost divided by \$200 average cost per beneficiary gives the number of 32,000 participants. The average cost of \$200 cost was estimated from the mean cost of intervention of the USAID agricultural development project in 2000 which has similar activities as ABIP. It was incremented by \$40 to update the mean cost in 2006.

The number of enterprises beneficiaries of technical assistance from ABIP was set on the basis of the potential enterprises partnering with farmer producers in the priority value chains during the Compact (300 enterprises). To better reflect the realities of the rural entrepreneurship in the zones, the definition of enterprises has been extended to include farmers' associations and cooperatives engaging in private sector activities.

Number of Farmers and Businesses Employing and Adopting Technical Assistance Indicators

After one growing season, a farmer is employing the techniques if he/she is using the package of techniques, while he/she is considered an adopter if he/she is using these techniques two seasons in a row. Adoption is expected to grow in subsequent years. Thus, adoption is defined as employing a package of new or improved techniques as demonstrated by the ABCs and MCA implementing partners during 2 successive years. These packages, specific for each of the targeted value chain, are presented in Annex 3.

Although the proportion of farmers employing and adopting the set of new or improved techniques is quite low at the beginning, it is expected that the rate of adoption will increase in subsequent years. Farmers will hesitate to take the risk with a change in their practice until they see concrete results.

For enterprises (expanded to include farmers' associations and cooperatives), the assistance is provision of a package of business best practices that include: market activities, management, innovation, cost management, leadership. It is assumed that adoption of this package of practices should not be difficult, thus the adoption rate was estimated at 100%.

Number of Business Plans Prepared and Number of Marketing Contracts with ABC Clients Indicators

The number of business plans to be developed with the assistance of the 6 ABCs was adjusted upward since 500 business plans have already been prepared between Q1 and Q10.

The target for the marketing contract indicator is derived from the number of business plans since it is assumed that these will lead to market prospecting and transactions with commercial partners. Clients submitting business plans to the ABCs may be individual farmers, enterprises, cooperatives, and others, but current trends in the ABCs show that the majority of business plans are prepared by cooperatives.

Number of People Receiving Information from ABCs Indicator

The target for the number of contacts or visitors at the ABCs was based on the actual visitation rate of 3 ABCs (over 1,200 visitors) since their operation phase (more than 4 months). The number of ABC clients (associations, cooperatives, enterprises) to formalize corresponds to those who request technical supports in developing business plans.

Increase in Farm Income Indicator

Madagascar GDP growth in 2005 was 4.6% but only 2.5% of the growth is due to the agricultural sector (INSTAT, 2005). Analysis of growth trend in agriculture shows that since 2001 the annual increase was around 2 to 3%. Therefore, without ABIP interventions, a 10% growth of the agricultural sector would be expected by 2009. With ABIP interventions, the projection for farmers income growth in 2007 (no significant change is expected in 2006) is 3.5%. Until then, ABIP interventions are in their early stages and concepts are still being tested. Rural growth is expected to reach 4% in 2009 and 10% in 2010 as we see higher adoption rate among the beneficiaries. The compound growth (with ABIP) calculation is then 20% for farm income.

	2005	2006	2007-2008	2009	2010
Rural agricultural growth	2,5%	2,5%	3,5%	5%	8%
Increase in farm income (compound growth) :					
With ABIP			6%	11%	20%
Without ABIP			5%	8%	10%
Net increase in farm income			1%	4%	10%

Increase in Enterprise Income Indicator

The number of enterprises grew by 700 between June 2006 and June 2009 according to ABIP monitoring data. We note however that most of the growth in enterprise income depends on a small number of very profitable small enterprises. Following the implementation stage of the ABIP project, we project that enterprise growth will be 2.5% in 2007, 3% in 2008, 9% in 2009, and 20% in 2010. Using the same calculation as in the farm income, the compound growth (with ABIP) is about 30% whereas the scenario without ABIP interventions shows a 10% growth rate.

	2005	2006	2007-2008	2009	2010
Enterprise growth in 2006	2,5%	2,5%	5%	8%	12%
Increase in enterprise income (compound growth) :					
With ABIP			8%	16%	30%
Without ABIP			5%	8%	10%
Net increase in enterprise income			3%	9%	20%

ANNEX 3: LIST OF TECHNOLOGICAL INNOVATIONS FOR THE ABIP PROJECT TARGETED VALUE CHAINS

All along the value chain, new technologies are introduced to address specific obstacles to the production increase and access to market. Several innovations can be needed to act on a weak link of the value chain as much as only one innovation can also contribute to overcome a number of bottlenecks.

The following list is non exhaustive and detailed technological innovations are specified in the technical monitoring forms of each crop.

1. Leveling of plots
2. Introduction of new varieties/species of crop
3. Use of improved and selected seeds
4. Use of fertilizers according to technical recommendations
5. Use of pesticides according to technical recommendations
6. Use of improved growing techniques such as line transplanting, mechanized weeding and irrigation water management
7. Use of improved beehives and improved honey extraction
8. Storage of products for future sale
9. Grouping production for whole sale
10. Maintenance and regeneration of tree plantations

Priority value chains and technological innovations are listed below:

Regions and Value Chains	Proposed technological innovations
Vakinankaratra	
Maize	3-4
Onion	1-3-8
Potato	1-2-3-5
Rice	4-6
Amoron'i Mania	
Geranium	2-4-6
Honey	7-8-
Onion	1-2-3-4-5
Rice	4-6-9
Menabe	
Peanut	1-3-5
Lima bean	2-3-5
Rice	2-5-6
Atsinanana	
Vegetables	2-4-8
Litchi	4-8-10
Maize	3-4
Boeny	
Maize	5-9
Onion	1-2-3-4-5
Rice	4-6
Diana	

Cocoa	10
Vegetables	3-4-5
Rice	1-4-6-

ANNEX 4: SUMMARY OF REVISIONS INCLUDED IN VERSION 3

The present version of the M&E plan (Version 3) is the result of a series of revisions made to the M&E plan Version 2, dated January 2007 (the first version is dated December 2005). Detailed definitions of the indicators, the type of indicator calculations such as whether they are incremental or cumulative values were added in this new version.

Revisions to the Compact and Program Indicators

Calculations and hypothesis proposed in the second version of the M&E plan to estimate the increases in household revenues for the beneficiaries of MCA Projects will be refined by the upcoming beneficiary survey results to take into account the characteristics of the ABIP and Land Tenure project beneficiaries.

Regarding the indicator on new investment made by farmers and enterprises in the zones, the targets calculated in January 2007 were revised to account for the current value chains and farmer approach developed by the ABIP Project, which promotes support to small producers rather than large enterprises with large investment capacity. Therefore, the ABIP Project and other Compact components will not generate a zone-wide impact on investment through its activities, as it was originally expected. Targets and means and frequency to measure this indicator were revised according to this new context.

Revisions to the Land Tenure Indicators

The area to be secured with land certificates by the end of Compact set in the previous version of the M&E plan were revised in light of the procurement and project planning of the decentralization of land management activities (under contracts LT034 and LT035). Most of the new guichets fonciers created under those contracts will be fully operational at the end of 2008. Details of these revisions to indicators and targets are provided in Annex 2.

Indicators on the number of land certificates delivered in the Zones and the number of guichets fonciers operating in the Zones were added to better monitor the decentralization of the land management at the level of the communes.

New indicators to monitor the reform of land legislation carried out with the legal review committee were added: submission and approval of the five laws (laws on land with special status such as protected areas, titled private property, public domain land, state private domain land, and the law creating the Geometrician's Order). New laws on land in public domain and on state-owned private property were submitted to parliament and passed in July 2008. New laws on titled private property, on land with special status and on the creation of the Surveyors' Order were submitted to Parliament in September 2008 and their adoption was expected

(publication by GOM) in December 2008. Delay in Parliament sessions has postponed the expected adoption date to the second quarter of 2009.

The titles and frequency of data collection for the indicators on land documents restoration and digitization was also revised to clarify the number of documents to be processed and to be consistent with the implementation phase. The restoration and digitization activities started in Q9 (July – Sept. 2007) and the first results were reported in Q10 for all MCA zones and Tana.

Following surveys done in zones 3-4-5, baselines for the average time and cost of land transactions performed by the Land Administration Services in these areas are now available. The modernization of Land Administration Services took place during the first semester of 2008 and the expected effects measured by this indicator are to be reported in Q14, 3 months after the activities were completed.

The indicator “percent of reported land conflicts resolved on titled land in zones 3-4-5” was abandoned as it did not reflect the tasks undertaken under this activity.

Process Indicators

Following new directives from MCC, process indicators or milestones were added to monitor progress at the activity level. The proposed process indicators will track progress in the submission and approval by Parliament of five laws related to the decentralization of land management and implementation of the land reform. Another process indicator will track the completion of the delivery of the 256 local land occupancy maps or PLOFs (Plans Local d’Occupation Foncière) as an indication that the guichets fonciers are operational.

Informational Indicators

This new version of the M&E Plan includes what is termed as “informational indicators”. These are indicators for which targets are difficult to set or no baseline is available. Because they still provide useful information, it was felt important to report on them; however they will be reported separately and will not be assessed against expected goals. Some of these information indicators are new and some were included in the previous version of the M&E Plan, but without baseline and/or targets. For the Land Tenure Project, these include the costs and time to carry-out land procedures and transactions at the guichets fonciers; the number of loans using land as collateral from land certificates in the Zones; and the number of beneficiaries of land certificates and titles.

Revisions to the Finance Indicators

The Finance objective indicators were revised from the second version of the M&E Plan (January 2007) to establish a more appropriate link between activities being implemented under the Compact and the results measured by the indicators. The objectives of the Finance Project are now strictly oriented on the direct beneficiaries of the Project, who are the farmers and MSMEs in the agribusiness sector receiving technical assistance for the submission of business plans and loan applications to banks and MFIs. The original indicators were measuring all loans and savings from MFIs and banks. These indicators are now redefined and are only tracking the financial services received by farmers and MSMEs through the MFIs supported by the Project. The MFIs supported are those eligible to the Challenge Fund and the Refinancing/Guarantee Fund; new targets are set for the indicators on loans and savings for these MFIs.

The indicator on the volume of savings accounts from the primary banks was removed to take also into consideration the limited scope of the Finance Project activities at regional scale. Additionally, very limited technical supports will be provided to farmers and MSMEs to increase the savings in the banks which do not have large geographic coverage in rural areas. The current technical supports are mainly directed to the expansion of savings at the MFIs and CEM branches with better coverage and proximity to the Project beneficiaries than the banks in rural zones.

A new indicator “number of CEM branches built in the Zones” was added to monitor the institutional and infrastructure support activities to the CEM network.

For the Activity performance indicators, delays in the implementation of the following contracts resulted in changes in the data collection timeline in the M&E plan: the development of communication and information tools to promote microfinance in rural areas, the set up of integrated information system on enterprises, the preparation of the examination system for future CPAs and the development of new credit instruments. These activities were started in 2007 and will continue in 2008. Observable results can be monitored only by mid-2008.

The following finance project indicators were not changed from the second version of the M&E plan (from January 2007), but were changed from the first to the second versions (from the December 2005 version to the January 2007 versions): new denomination of t-bill, volume of MFI lending in the zones, and the reporting of credit and payment information to a central database.

New denomination of the t-bill was put in place in 2005 before any MCA Project activity started. A first review of MCA assistance to the Treasury Department has orientated the terms of reference of this activity to develop new instruments for the Treasury. The indicator on the new t-bill was then changed to monitor the effects of the new denomination on the savings from private sector and its attraction on

individual investors to deposit their savings on treasury bills. Three new indicators were selected according to the terms of reference to recruit an advisor for debt management project at the Ministry of Economy, Finance and Budget: the amount of government debt issued with maturities in excess of 52 weeks, the number of Central Bank of Madagascar branches capable of accepting auction tenders and the number of new individual investors buying government debt securities.

The indicator “Volume of MFI lending in the Zones” was already included as part of the Project Objective indicator to monitor the global effects of the MCA technical assistance to MFI in one indicator: “the number and value of outstanding loans from MFIs”. It has been removed from the Activity-level indicator tables.

The indicator on the reliability of financial information was refined to measure the percentage of all loans included in the central database rather than the number of loans.

The upgrading of the national payment system has 3 different phases lasting for 2 years: the system design, set up and implementation. Data collection for the indicator of this activity will start only by early year 4 when the two first phases are achieved.

Process Indicator

The indicator relating to the banking legislation and financial sector legislation submitted to Parliament is classified as process indicator for the Finance project. The new indicator to monitor the national payment system set up process is entitled “the components necessary to implement the national payment system are operational”; these components refer to the procurement lots launched to complete the system set up.

Informational Indicator

The number of new individual investors buying government debt securities is set as an informational indicator of the t-bill buyers following the new denomination.

Revisions to the ABIP Indicators

The major change from the second to the third versions of the M&E plan relates to the target for the number of business plans prepared by the ABCs, the number of ABC clients registered as formal enterprises or associations/cooperatives and the number of marketing contracts with ABC clients. They have increased to be in consistence with the actual business plans drafted in Q10 which already reached more than 500 plans.

New indicators were created to monitor the new cooperative structures’ activities; these cooperatives will relay the agribusiness activities initiated with the ABCs

with small producers in order to sustain the ABC technical support to the agribusiness sector beyond the Compact lifetime. Closely related to the cooperatives' commercial and production activities, the new indicators to monitor in year 5 are: the turnover sales made by the cooperatives on high value commodities, the volume of crop production commercialized by the cooperatives, the number of cooperative members, and the number of cooperative members trained in new technology.

The following revisions were made from version one to version two (January 2007) of the M&E plan.

To measure the number of farmers/businesses employing technical assistance, a sub-indicator counting those who first received the technical assistance was added. Increasing adoption rates will determine the number of farmers/businesses actually employing the technical assistance.

ABIP supports MAEP's efforts to implement the National Agricultural Master Plan by reinforcing the capacity of MAEP agents in developing entrepreneurship and investment in high profitable agribusiness sector in rural areas. A new indicator "number of MAEP trained in marketing and investment promotion" measures the result of that capacity-building activity.

Among other activities related to production, the ABCs provide management expertise and marketing techniques to their clients. The effects of improved marketing practices adopted by the farmers and businesses are captured in three new indicators measuring the number of ABC clients with marketing contracts, the changes in income after ABIP supports for farms and enterprises.

Process Indicators

The following indicators were classified as process indicators for ABIP: Zones of intervention identified and description of beneficiaries within each zone submitted; ABC/NCC linkage plan in place; NCC created and the business plan for NCC prepared; zonal investment strategies for the Zones are developed.

Description of Beneficiaries

Due to lack of updated data, this version of the M&E plan reports the detailed description of the population of each MCA zone already included in the 2007 M&E plan. The source of this information is the 2005 INSTAT household and enterprise surveys as well as the MAEP agricultural productivity survey. Reports from these surveys are publicly available and can be requested through www.mcamadagascar.org.

ANNEX 5: INDICATOR REFERENCE SHEET FOR REVISED INDICATORS

In this annex, proposed revisions to indicators (including titles, targets, units, frequency of data collection) are listed with a reference to the change(s) and a short justification for the revision. Indicators that are added or dropped are also listed here. Each of these revisions has been reviewed by MCC. The overall approval of this M&E Plan (version 3) constitutes an approval of these individual changes.

LAND TENURE PROJECT

Name of Indicator: Area secured with land certificates in the Zones
Type of Change: <i>New indicator</i>
New Indicator Type: <i>Objective</i>
Justification/Rationale for Change: <i>additional information become available to inform on hectares secured per zone</i>
Implications of Change: <i>better monitoring of the decentralization of land management in MCA zones</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Area secured with land titles in the Zones and Antananarivo
Type of Change: <i>New indicator</i>
New Indicator Type: <i>Objective</i>
Justification/Rationale for Change: <i>additional information become available to inform on hectares secured per zone</i>
Implications of Change: <i>better monitoring of the modernization of land services in MCA zones and Antananarivo</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Number of land certificates delivered in the Zones
Type of Change: <i>New indicator</i>
New Indicator Type: <i>Objective</i>
Justification/Rationale for Change: <i>better monitoring of the decentralization of land management in MCA zones</i>
Implications of Change: <i>none.</i>

MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Number of beneficiaries of land certificates in the Zones
Type of Change: <i>New indicator</i>
New Indicator Type: <i>Information</i>
Justification/Rationale for Change: <i>better monitoring of the decentralization of land management in MCA zones</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Number of beneficiaries of titles in the Zones and Antananarivo
Type of Change: <i>New indicator</i>
New Indicator Type: <i>Information</i>
Justification/Rationale for Change: <i>better monitoring of the modernization of land services in MCA zones and Antananarivo</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Number of new guichets fonciers operating in the Zones
Type of Change: <i>New indicator</i>
New Indicator Type: <i>Objective</i>
Justification/Rationale for Change: <i>better monitoring of the decentralization of land management in MCA zones</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Percentage of identified hectares secured in the Zones
Type of Change: <i>title changed</i>
New title: <i>Percentage of identified hectares secured with certificates in the Zones</i>
Justification/Rationale for Change: <i>the hectares secured with titles were distinguished from the hectares secured with certificates</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Percentage of identified hectares secured in the Zones
Type of Change: <i>title changed</i>
New title: <i>Percentage of identified hectares secured with titles in the Zones</i>
Justification/Rationale for Change: <i>the hectares secured with titles were distinguished from the hectares secured with certificates.</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Percentage of land documents inventoried, restored, and/or digitized
Type of Change: <i>New title and targets changed</i>
New title: <i>Number of land documents inventoried in the Zones</i>
New end of Compact target: <i>222,082 documents</i>
Justification/Rationale for Change: <i>Number of documents inventoried was distinguished from the number of documents restored and digitized; number of documents processed in the zones was distinguished from the number of documents processed in Antananarivo (indicator disaggregated into its components)</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Percentage of land documents inventoried, restored, and/or digitized
Type of Change: <i>New title and target changed</i>
New title: <i>Number of land documents inventoried in Antananarivo</i>
New end of Compact target: <i>318,753 documents</i>
Justification/Rationale for Change: <i>Number of documents inventoried was distinguished from the number of documents restored and digitized; number of documents processed in the zones was distinguished from the number of documents processed in Antananarivo (indicator disaggregated into its components)</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Percentage of land documents inventoried, restored, and/or digitized
Type of Change: <i>New title and targets changed, the starting period of data collection revised</i>

<p>New title: <i>Number of land documents restored in the Zones</i> New end of Compact target: 88,285 documents New starting period: <i>Q10</i></p>
<p>Justification/Rationale for Change: <i>Number of documents inventoried was distinguished from the number of documents restored and digitized; number of documents processed in the zones was distinguished from the number of documents processed in Antananarivo (indicator disaggregated into its components)</i> <i>Starting period pushed back because of implementation delays of LT034 and LT035 related to the restoration of land documents in the zones</i></p>
<p>Implications of Change: <i>none.</i></p>
<p>MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____</p>

<p>Name of Original Indicator: Percentage of land documents inventoried, restored, and/or digitized</p>
<p>Type of Change: <i>New title and targets changed, the starting period of data collection revised</i></p>
<p>New title: <i>Number of land documents restored in Antananarivo</i> New end of Compact target: 106,583 documents New starting period: <i>Q10</i></p>
<p>Justification/Rationale for Change: <i>Number of documents inventoried was distinguished from the number of documents restored and digitized; number of documents processed in the zones was distinguished from the number of documents processed in Antananarivo (indicator disaggregated into its components)</i> <i>Starting period pushed back because of implementation delays of LT034 and LT035 related to the restoration of land documents in the zones</i></p>
<p>Implications of Change: <i>none.</i></p>
<p>MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____</p>

<p>Name of Original Indicator: Percentage of land documents inventoried, restored, and/or digitized</p>
<p>Type of Change: <i>New title and target changed, the starting period of data collection revised</i></p>
<p>New title: <i>Number of land documents digitized in the Zones</i> New end of Compact target: 88,285 documents New starting period: <i>Q10</i></p>

Justification/Rationale for Change: <i>Number of documents inventoried was distinguished from the number of documents restored and digitized; number of documents processed in the zones was distinguished from the number of documents processed in Antananarivo (indicator disaggregated into its components) Starting period pushed back because of implementation delays of LT034 and LT035 related to the restoration of land documents in the zones</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Percentage of land documents inventoried, restored, and/or digitized
Type of Change: <i>New title and targets changed, the starting period of data collection revised</i>
New title: <i>Number of land documents digitized in Antananarivo</i> New end of Compact target: <i>122,164 documents</i> New starting period: <i>Q10</i>
Justification/Rationale for Change: <i>Number of documents inventoried was distinguished from the number of documents restored and digitized; number of documents processed in the zones was distinguished from the number of documents processed in Antananarivo (indicator disaggregated into its components) Starting period pushed back because of implementation delays of LT034 and LT035 related to the restoration of land documents in the zones</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Average time and cost required to carry out property transactions
Type of Change: <i>New title, the starting period of data collection revised</i>
New title: <i>Average time for Land Services Offices to respond to information request by a user</i> New starting period: <i>Q14</i>
Justification/Rationale for Change: <i>Title more precise; implementation delays of LT034 and LT035 related to the modernization of land administration</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Average time and cost required to carry out property transactions

Type of Change: <i>New title changed, the starting period of data collection revised</i>
New title: <i>Average time for Land Services Offices to subdivide a titled parcel into plots</i>
New reporting period: <i>Q14</i>
Justification/Rationale for Change: <i>Title more precise; implementation delays of LT034 and LT035 related to the modernization of land administration</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Average time and cost required to carry out property transactions
Type of Change: <i>New title, the starting period of data collection revised</i>
New title: <i>Average time for Land Services Offices to issue a duplicate copy of a title</i>
New starting period: <i>Q14</i>
Justification/Rationale for Change: <i>Title more precise; implementation delays of LT034 and LT035 related to the modernization of land administration</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Average time and cost required to carry out property transactions
Type of Change: <i>New title, the starting period of data collection revised</i>
New title: <i>Average time for Land Services Offices to issue a new title</i>
New starting period: <i>Q14</i>
Justification/Rationale for Change: <i>Title more precise; implementation delays of LT034 and LT035 related to the modernization of land administration</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Average time and cost required to carry out property transactions
Type of Change: <i>New title, unit changed, reporting frequency changed</i>
New title: <i>Average cost to a user to obtain information on land legal status from the Land Services Offices</i>
New unit: <i>MGA 10,000</i>
New frequency: <i>once in Q16 and once in Q19</i>

Justification/Rationale for Change: <i>Title more precise; units in local currency; frequency changed because of implementation delays of LT034 and LT035 related to the modernization of land administration</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Average time and cost required to carry out property transactions
Type of Change: <i>New title, unit changed, reporting frequency changed</i>
New title: <i>Average cost to a user to subdivide a titled parcel into plots</i> New unit: <i>MGA 156,000</i> New frequency: <i>once in Q16 and once in Q19</i>
Justification/Rationale for Change: <i>Title more precise; units in local currency; frequency changed because of implementation delays of LT034 and LT035 related to the modernization of land administration</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Average time and cost required to carry out property transactions
Type of Change: <i>New title, unit changed, reporting frequency changed</i>
New title: <i>Average cost to a user to obtain a duplicate copy of a title from the Land Services Offices</i> New unit: <i>MGA 111,000</i> New frequency: <i>once in Q16 and once in Q19</i>
Justification/Rationale for Change: <i>Title more precise; units in local currency; frequency changed because of implementation delays of LT034 and LT035 related to the modernization of land administration</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Average time and cost required to carry out property transactions
Type of Change: <i>New title, unit changed, reporting frequency changed</i>
New title: <i>Average cost to a user to obtain a new title from the Land Services Offices</i> New unit: <i>MGA 667,000</i> New frequency: <i>once in Q16 and once in Q19</i>

Justification/Rationale for Change: <i>Title more precise; units in local currency; frequency changed because of implementation delays of LT034 and LT035 related to the modernization of land administration</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Percent of reported land conflicts resolved on titled land in zone 3-4-5 during title regularization operations
Type of Change: <i>drop indicator</i>
New title: -
Justification/Rationale for Change: <i>the indicator was not appropriate to the objective of the regularization activities which do not include conflict resolution but mainly limited to formalizing the property rights documents</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Number of loans using land certificates as collateral in the Zones
Type of Change: <i>New indicator</i>
New Indicator type: <i>Information</i>
Justification/Rationale for Change: <i>Indicator will be reported but without targets as an effort to track improved access to credit at MFIs and banks using land certificates</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Legislative proposal (“loi de cadrage”) reflecting the PNF submitted to Parliament and passed
Type of Change: <i>title changed</i>
New Indicator title: <i>The framework law for the land tenure reform and defining the PNF is adopted</i>
Justification/Rationale for Change: <i>title more precise</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: The law on non-titled private property is adopted
Type of Change: <i>new indicator</i>

New Indicator Type: Process milestone
Justification/Rationale for Change: <i>better monitoring of the land legislation reform carried out with the law review committee</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: The law concerning land in the public domain is adopted
Type of Change: <i>new indicator</i>
New indicator type: <i>process milestone</i>
Justification/Rationale for Change: <i>better monitoring of the land legislation reform carried out with the law review committee</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: The law regulating land in the state private domain is adopted
Type of Change: <i>new indicator</i>
New Indicator type: <i>process milestone</i>
Justification/Rationale for Change: <i>better monitoring of the land legislation reform carried out with the law review committee</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: The law concerning land with specific status is adopted
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Process milestone</i>
Justification/Rationale for Change: <i>better monitoring of the land legislation reform carried out with the law review committee</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: The law concerning titled private property is adopted
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Process milestone</i>
Justification/Rationale for Change: <i>better monitoring of the land legislation reform carried out with the law review committee</i>
Implications of Change: <i>none.</i>

MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: The law regulating the independent surveyor's association is adopted
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Process milestone</i>
Justification/Rationale for Change: <i>better monitoring of the land legislation reform carried out with the law review committee</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: The 256 PLOFs are completed
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Process milestone</i>
Justification/Rationale for Change: <i>better monitoring of the decentralization of land management in MCA zones</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Average time for the guichets fonciers to respond to information request from a user
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Information</i>
Justification/Rationale for Change: <i>No target set but will allow better monitoring of land certification operations</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Average time for the guichets fonciers to subdivide a parcel with a certificate into plots
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Information</i>
Justification/Rationale for Change: <i>No target set but will allow better monitoring of land certification operations</i>
Implications of Change: <i>none.</i>

MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Average time for the guichets fonciers to issue a duplicate copy of a certificate
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Information</i>
Justification/Rationale for Change: <i>No target set but will allow better monitoring of land certification operations</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Average time for the guichets fonciers to issue a land certificate
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Information</i>
Justification/Rationale for Change: <i>No target set but will allow better monitoring of land certification operations</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Average cost to a user to obtain land legal status from a guichet foncier
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Information</i>
Justification/Rationale for Change: <i>No target set but will allow better monitoring of land certification operations</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Average cost to a user to subdivide a parcel after the first land right at a guichet foncier
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Information</i>
Justification/Rationale for Change: <i>No target set but will allow better monitoring of land certification operations</i>
Implications of Change: <i>none.</i>

MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Average cost to a user to obtain a duplicate copy of a land certificate at a guichet foncier
Type of Change: new indicator
New Indicator Type: <i>Information</i>
Justification/Rationale for Change: <i>No target set but will allow better monitoring of land certification operations</i>
Implications of Change: none.
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Average cost to a user to obtain a land certificates at a guichet foncier
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Information</i>
Justification/Rationale for Change: <i>No target set but will allow better monitoring of land certification operations</i>
Implications of Change: none.
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

FINANCE PROJECT

Name of Original Indicator: The number of savings accounts from : CEM
Type of Change: <i>title changed, new targets</i>
New Indicator Title : <i>Number of savings accounts from CEM in the Zones</i>
New end of Compact target: <i>275,000 savings accounts</i>
Justification/Rationale for Change: <i>Title more precise, limited scope of the Finance Project activities related to savings from CEM at national scale, better monitoring of the support to CEM, extension of activities to 2010</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicators: The outstanding value of accounts from : CEM
Type of Change: <i>Title changed, new targets; units changed</i>
New Indicator Title : <i>Outstanding value of savings accounts from CEM in the Zones</i>
New end of Compact target: <i>68,000 million MGA</i>
Justification/Rationale for Change: <i>Title more precise, limited scope of the Finance Project activities related to savings from CEM at national scale, better monitoring of the support to CEM , extension of activities to 2010; units in local currency</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: The number of savings accounts from primary banks
Type of Change: <i>Indicator dropped</i>
New/Revised Indicator and/or target:
Justification/Rationale for Change: <i>limited scope of the Finance Project activities related to savings at regional scale and the banks do not have wide geographic coverage to be able to target the MCA beneficiaries in rural areas.</i>
Implications of Change: <i>better scoping of project impacts on beneficiaries regarding the savings</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: The outstanding value of accounts from primary banks
Type of Change: <i>Indicator dropped</i>
New/Revised Indicator and/or target:
Justification/Rationale for Change: <i>limited scope of the Finance Project activities related to savings at regional scale and the banks do not have wide geographic</i>

<i>coverage to be able to target the MCA beneficiaries in rural areas.</i>
Implications of Change: <i>better scoping of project impacts on beneficiaries regarding the savings</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: The number of loans from primary banks
Type of Change: <i>Indicator dropped</i>
New/Revised Indicator and/or target:
Justification/Rationale for Change: <i>limited scope of the Finance Project activities related to loans targeting farmers/MSMEs supported by ABIP and involved in the development of business plans in agribusiness activities.</i>
Implications of Change: <i>better scoping of project impacts on beneficiaries regarding the loans</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: The value of outstanding loans from primary banks
Type of Change: <i>Indicator dropped</i>
New/Revised Indicator and/or target:
Justification/Rationale for Change: <i>limited scope of the Finance Project activities related to loans targeting farmers/MSMEs supported by ABIP and involved in the development of business plans in agribusiness activities.</i>
Implications of Change: <i>better scoping of project impacts on beneficiaries regarding the loans</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: The number of savings accounts from MFIs
Type of Change: <i>New title; revised target; revised definition</i>
New title: <i>Number of savings accounts from MFIs supported by the MCA Challenge Fund in the Zones</i>
New end of Compact target: <i>125,600 savings accounts</i>
Justification/Rationale for Change: <i>need for establishing a direct cause-effect link between the MFI capacity-building activities being implemented by the Finance project and the results measured by this indicator</i>
Implications of Change: <i>better scoping of project impacts on beneficiaries regarding the MFIs' services</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: The outstanding value of accounts from MFIs
Type of Change: <i>New title; revised targets; revised definition; units changed</i>
New title: <i>Outstanding value of savings accounts from MFIs supported by the MCA Challenge Fund in the Zones</i>
New end of Compact target: <i>15,243 million MGA</i>
Justification/Rationale for Change: <i>need for establishing a direct cause-effect link between the MFI capacity-building activities being implemented by the Finance project and the results measured by this indicator; units in local currency</i>
Implications of Change: <i>better scoping of project impacts on beneficiaries regarding the MFIs' services</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: The number of loans from MFIs
Type of Change: <i>New title; revised targets; revised definition</i>
New title: <i>Number of loans from MFIs supported by the Project in the Zones</i>
New end of Compact target: <i>TBD in Q15</i>
Justification/Rationale for Change: <i>need for establishing a direct cause-effect link between the MFI capacity-building activities and the refinancing fund being implemented by the Finance project and the results measured by this indicator; CEM to provide baseline value of accounts of participating MFIs as of March 31, 2008 in January 2009, which will be used to calculate end of Compact target</i>
Implications of Change: <i>better scoping of project impacts on beneficiaries regarding the MFIs' services</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: The value of outstanding loans from MFIs
Type of Change: <i>New title; revised targets; revised definition; units changed</i>
New title: <i>Value of outstanding loans from MFIs supported by the Project in the Zones</i>
New end of Compact target: <i>TBD in Q15</i>
Justification/Rationale for Change: <i>need for establishing a direct cause-effect link between the MFI capacity-building activities and the refinancing fund being implemented by the Finance project and the results measured by this indicator; units in local currency; CEM to provide baseline value of accounts of participating MFIs as of March 31, 2008 in January 2009, which will be used to calculate end of Compact target</i>
Implications of Change: <i>better scoping of project impacts on beneficiaries regarding the MFIs' services</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Number of CEM branches built in the Zones
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Process milestone</i>
Justification/Rationale for Change: <i>better monitoring of the support to CEM .</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Submission to parliament and passage of new laws recommended by outside experts and relevant commissions
Type of Change: <i>New title</i>
New Indicator Title: <i>Banking and financial sector legislation submitted to Parliament</i>
Justification/Rationale for Change: <i>better understanding of the indicator definition</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Public awareness of financial instruments in the Zones
Type of Change: <i>New title; new target; revised reporting frequency</i>
New Title: <i>Percentage of population aware of financial services offered by MFIs in the zones</i>
New frequency: <i>Once in Q14 and once in Q17</i>
New end of Compact target: <i>60%</i>
Justification/Rationale for Change: <i>implementation delay of the contract on the development of communication and information tools to promote microfinance in rural areas, extension of activities to 2010</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Number of MFIs participating in the Refinancing and Guarantee funds
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Outcome</i>
Justification/Rationale for Change: <i>measure the effectiveness of the refinancing and guarantee fund through the number of institution beneficiaries</i>
Implications of Change: <i>better monitoring of the results from the refinancing and guarantee fund implementation</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Value of refinancing loans and guarantees issued to participating MFIs
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Outcome</i>
Justification/Rationale for Change: <i>measure the effectiveness of the refinancing and guarantee fund through the volume of loans granted</i>
Implications of Change: <i>better monitoring of the results from the refinancing and guarantee fund implementation</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: The amount of government debt issued with maturities in excess of 52 weeks
Type of Change: <i>revised frequency of data collection</i>
New frequency: <i>Annually starting in Y4</i>
Justification/Rationale for Change: <i>Extension of activities to 2010</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Number of new individual investors buying government debt securities
Type of Change: <i>Indicator dropped</i>
New/Revised Indicator and/or target: <i>n/a</i>
Justification/Rationale for Change: <i>limited scope of the Finance Project activities related to the number of new individual investors buying government debt securities</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Maximum check clearing delay
Type of Change: <i>revised starting period</i>
New frequency: <i>Quarterly starting in Q17</i>
Justification/Rationale for Change: <i>The national payment system will be operational starting in Q16</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Volume of funds processed by payment system and number of transactions per quarter
Type of Change: <i>Indicator split in 2; revised starting period of data collection</i>
New title: <i>Volume of funds processed annually by the national payment system</i>
New frequency: <i>Quarterly starting in Q17</i>
Justification/Rationale for Change: <i>Original indicator split into two indicators; the payment system will be operational starting in Q16</i>
Implications of Change: <i>better scoping of project impacts on the funds processed by the new payment system</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Volume of funds processed by payment system and number of transactions per quarter
Type of Change: <i>Indicator split in 2; revised starting period of data collection</i>
New title: <i>Number of transactions processed annually by the national payment system</i>
New frequency: <i>Quarterly starting in Q17</i>
Justification/Rationale for Change: <i>Original indicator split into two indicators; the payment system will be operational starting in Q16</i>
Implications of Change: <i>better scoping of project impacts on the funds processed by the new payment system</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: MFI portfolio-at-risk delinquency rate
Type of Change: <i>New title, revised reporting quarter</i>
New title: <i>Portfolio-at-risk rate (90 days) of MFIs</i>
New frequency: <i>Once at the end of Y5</i>
Justification/Rationale for Change: <i>more precise title; extension of activities to 2010</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: CPA Association (CSC) list of accountants registered
Type of Change: <i>New title; revised frequency of data collection</i>
New title: <i>Number of accountants and financial experts registered to become CPA</i>
New frequency: <i>Once in Y4 and once in Y5</i>
Justification/Rationale for Change: <i>implementation delay of the contract on the preparation of the examination system for future CPAs, extension activities to 2010</i>
Implications of Change: <i>none</i>

MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Percent of all loans included in the central database
Type of Change: <i>New title; revised frequency of reporting</i>
New title: <i>Percent of MFI loans recorded in the Central Bank database</i>
New frequency: <i>Once in Q15</i>
Justification/Rationale for Change: <i>implementation delay of the contract on the set up of integrated information system on enterprises</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: The components necessary to implement the national payment system are operational
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Process milestone</i>
Justification/Rationale for Change: <i>measure the progress made in the process of setting up the payment system</i>
Implications of Change: <i>provide intermediate status of the payment system set up</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

AGRICULTURAL BUSINESS INVESTMENT PROJECT

Name of Original Indicator: Number of farmers and enterprises that adopt new technologies or engage in higher value production
Type of Change: <i>Indicator split in 2; revised targets</i>
New title: <i>Number of farmers that adopt new technologies or engage in higher value production</i>
New end of Compact target: <i>12,800 farmers</i>
Justification/Rationale for Change: <i>Split indicator between farmers and enterprises, take the number of spill-over farmers out from the target as there is no provision to account for spill-over</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Number of farmers and enterprises that adopt new technologies or engage in higher value production
Type of Change: <i>Indicator split in 2</i>
New title: <i>Number of enterprises that adopt new technologies or engage in higher value production</i>
Justification/Rationale for Change: <i>Split indicator between farmers and enterprises</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Number of business plans prepared for individual farmers, farmer associations/cooperatives and enterprises
Type of Change: <i>Title changed, revised targets</i>
New Indicator Title : <i>Number of business plans prepared</i>
New end of Compact target: <i>1,213 plans</i>
Justification/Rationale for Change: <i>target underestimated compared to the current performance of ABCs</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Number of ABC cooperative members
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Outcome</i>
Justification/Rationale for Change: <i>monitor the ABC activities as cooperatives beyond</i>

June 2009
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Number of ABC cooperative members trained in new techniques
Type of Change: <i>New indicator</i>
New indicator type: <i>Outcome</i>
Justification/Rationale for Change: <i>monitor the ABC activities as cooperatives beyond June 2009</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Volume of crop production commercialized by the ABC cooperatives
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Outcome</i>
Justification/Rationale for Change: <i>monitor the ABC activities as cooperatives beyond June 2009</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Indicator: Turnover sales on high value commodities made by the ABC cooperatives
Type of Change: <i>new indicator</i>
New Indicator Type: <i>Outcome</i>
Justification/Rationale for Change: <i>monitor the ABC activities as cooperatives beyond June 2009</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Number of visitors receiving information from ABC with respect to business opportunities
Type of Change: <i>New title</i>
New title: <i>Number of people receiving information from ABCs on business opportunities.</i>

Justification/Rationale for Change: <i>More accurate title</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Number of cost-effective zonal investment strategies developed
Type of Change: <i>New title, new indicator type</i>
New Indicator Title: <i>Zonal investment strategies for the Zones are developed</i>
New Indicator Type : <i>Process indicator</i>
Justification/Rationale for Change: <i>More accurate title and type</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Number of ABC clients that register as formal enterprises, cooperatives or associations
Type of Change: <i>Revised end of Compact target</i>
New end of Compact target: <i>597 clients</i>
Justification/Rationale for Change: <i>targets revised based on current ABCs' performance</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Number of ABC clients with marketing contracts
Type of Change: <i>New title, revised end of Compact target</i>
New title: <i>Number of marketing contracts of ABC clients</i>
New end of Compact target: <i>924 marketing contracts</i>
Justification/Rationale for Change: <i>Clarify how results of technical assistance will be measured, by counting the number of contracts instead of the number of clients</i>
Implications of Change: <i>none.</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____

Name of Original Indicator: Number of visitors receiving information from NCC with respect to business opportunities
Type of Change: <i>indicator dropped</i>
New/Revised Indicator and/or target: <i>n/a</i>
Justification/Rationale for Change: <i>no more resources allocated to NCC to receive</i>

<i>visitors</i>
Implications of Change: <i>none</i>
MCC Approval: Granted: _____ Date _____ Not Granted: _____ Date: _____ Location of Supporting Documentation: _____