

FINANCIAL SUSTAINABILITY OF NON-GOVERNMENTAL ORGANIZATIONS

(TC-99-02-05-4-RG)
EXECUTIVE SUMMARY

Executing agencies:	Grupo de Análisis y Desarrollo Institucional y Social (GADIS) of Argentina and Corporación PARTICIPA of Chile		
Beneficiaries:	Beneficiaries of the project include: (i) 540 NGOs throughout the region that provide training and labor market services to micro, small and medium enterprises that will purchase training programs in financial sustainability developed by the project; (ii) six NGO partners that will be competitively selected to deliver training in financial sustainability; and (iii) GADIS and PARTICIPA that will be strengthened institutionally to train NGOs and to monitor and evaluate training provision as a result of this project.		
Objectives:	The overall objective of the project is to contribute to strengthening the institutional capacity of NGOs that provide training and labor market services to micro, small and medium enterprises so they may deliver services more efficiently and enhance their organizational sustainability.		
Description:	In order to achieve the objectives, the project will consist of three components: (i) Program design and selection of partners to facilitate the expansion and improvement of the supply of training services available to NGOs through the systematization of a regional training program; (ii) Training of trainers in the new curricula and methodologies to develop core staff in each partner institution to achieve a multiplier effect of the training programs; and (iii) Pilot training implementation and monitoring designed to test and consolidate a regional-based model for delivering and expanding training to NGOs.		
Financing:	Method: non-reimbursable – Human Resources Facility		
	MIF	US\$	900,000
	Local Counterpart		
	Funding:	US\$	600,000
	Total:	US\$	1,500,000
Execution Schedule:	Execution:	36	Months
	Disbursement	42	Months

**Exceptions to
Bank policy:** None

**Special
contractual
conditions:** In addition to the Bank's general contractual conditions applicable to the operation, prior to the first disbursement of funds, the executing agencies must present to the satisfaction of the Bank, (i) evidence of the establishment of the executing unit with the Project Director named to head the unit; and (ii) evidence of an agreement signed between GADIS and PARTICIPA defining the mechanisms for coordination of the project's activities.

**Environmental
and social impact:** The Committee on Environment and Social Impact met on June 26, 2000 and approved this project. The Committee recommended that the executing agencies apply the Bank's Environmental Guidelines for Micro and Small Enterprises to NGOs providing non-financial services to micro and small enterprises.

I. COUNTRY AND PROGRAM ELIGIBILITY

- 1.1 The proposed regional project meets the eligibility criteria for a grant through the Human Resources Facility. This facility supports domestic private-sector initiatives, with a particular focus on leveraging financial resources, expanding existing training programs, and supporting strategic partnerships between the public and the private sectors in the development and delivery of training programs. Regional eligibility is being requested for this project for the following reasons: (i) economies of scale, to disseminate training methodologies on a much wider basis that is possible under any national program; (ii) to provide an opportunity to develop a variety of training materials and products multiplying the effect of a single investment in training curriculum; and (iii) to strengthen the inter-regional networks of training institutions and the intra-regional exchange of training methodologies and training practices. The project will target six countries, two from each of the three Regional Operational Departments of the Bank (Guatemala, Nicaragua, Colombia, Peru, Bolivia and Uruguay).

II. BACKGROUND

- 2.1 The economic and social impacts of non-governmental organizations (NGOs) in Latin America are far ranging. The economic benefits are impressive and tangible: on the order of hundreds of millions of dollars of internally generated funds that create large-scale employment, produce badly needed social services and goods, stimulate investment and help regional economies grow.
- 2.2 The numbers of non-governmental organizations that provide training and labor market services to micro, small and medium enterprises have grown exponentially in the last decade in part out of a response to the promulgation of new policies aimed at improving governance and providing stable legal and financial frameworks to address the need for promoting the emergence of robust market systems in region. However, it is increasingly evident that such policies do not always elicit the intended supply-side response in the form of improved services available for this emerging and growing sector of the economy, the micro, small and medium-sized enterprise. NGOs providing services to this market, in particular, are confronted with scarce resources available to them from international agencies, foundations and their own governments. Furthermore, recurring devaluations and rising debts in foreign currency are forcing many worthwhile training institutions to close down or face bankruptcy. This financial situation is not a judgment on the worthiness of these NGOs or the relevance of their work, as the demand for labor market services, basic business advisory assistance and training in financial sustainability is increasing. It is simply a casualty of tight budgeting and a greater need to amass capital.

- 2.3 Traditional solutions, including more government handouts, international loans, and local fundraising campaigns are insufficient in the search for sustainability and autonomy on the part of the non-profits and other citizens' organizations. NGOs have realized that they must generate their own income and working capital if they are to survive. Even if donations or government contracts provide them with some financial resources, NGOs must use these to complement their main source of revenue, which should be the offer of their own goods and services to the market.
- 2.4 The focus of this project is on NGOs that provide non-financial services to micro, small and medium enterprises that are in real need of such services. For this purpose, NGOs must meet market requirements: for these institutions to become established, grow and to continue to offer services that respond to demand, they must insure themselves of an independent and reliable source of funds.
- 2.5 One way to foster NGO sustainability in the region is to invest in the capacity of this sector through improved training. Although considerable effort has been put into training NGOs in Latin America, indigenous capacity to provide such training has been lacking until very recently. Building these capabilities and increasing financial efficiency are high priorities for NGOs that wish to make a greater contribution to the region's social and economic development. As NGOs are gaining ground in matters of development, the conditions are ripe for a regional capacity-building program to bring the sector into a position to operate more on par with partners in government and the business sectors.
- 2.6 For the purposes of project design, a 1999 Bank-financed study surveyed the supply and demand of training for NGOs in the area of financial sustainability. The regional diagnostic study highlighted a training and technical assistance market for NGOs that varies widely by sector and country. The demand is high for integrated and consistent training supported by up-to-date curriculums; while the supply for such services is irregular and often not in tune with the new economic leadership roles of NGOs. A key conclusion of the regional study was that "financial resources alone do not produce neither impact nor success if they are not backed up by good management, organizational capacity, planning, and the ability to evaluate the job of the organization."¹
- 2.7 The proposed project is designed to assist service NGOs to adapt to this new reality and make plans to adjust their provision of goods and non-financial services according to market demand. NGOs to be targeted by the project will be those that provide training and labor market services to micro, small and medium enterprises. This project will be original in its work with NGOs that operate in economic spheres, providing them with a systematic approach toward training and capacity building for the purposes of attaining organizational sustainability. The NGOs directly involved in the program will benefit as productive entities,

¹ "Fortaleciendo a organizaciones de la sociedad civil en America Latina mediante la educación y la capacitación para la sostenibilidad," ESPIRAL, S.C., Mexico, October, 1999.

consolidating their roles as economic actors, capable of generating employment and producing services necessary for the community. The NGO participants will serve as models of organization and management that can make sustainability possible and will be consulted and replicated by other NGOs in the region.

- 2.8 The project will train specialists in six countries (Guatemala, Nicaragua, Colombia, Peru, Bolivia and Uruguay) in the topics related to NGO capacity building, management, and organizational and financial sustainability. NGO representatives who receive the training will, in turn, offer training workshops in their respective countries and, thus, produce a multiplier effect in subsequent years and additional countries of the region. Particular emphasis will be paid to the development of the training curriculum and the marketing and promotion of these products once they have been tested and proven effective.
- 2.9 In order to make a more focused evaluation of this experience six countries were chosen as initial targets for the project activities, two from each of the three Regional Operations Departments of the Bank. Within each region, country selection was based on the analysis of an adequate level of supply and demand for training services. Additional criteria used for selection included a highly developed micro, small and medium enterprise sector as well as a large number of NGOs that provide services to this sector.
- 2.10 Two experienced NGOs were selected as the project's partners and to serve as a combined administrative/supervisory body. The participation of Corporación PARTICIPA from Chile and GADIS from Argentina will assure the quality of the project's output. GADIS and PARTICIPA were chosen based on their excellent regional reputation, their combined experience in the region, their institutional strengths, and their long histories in the area of providing technical assistance to NGOs in the area of capacity building and financial sustainability.

III. PROGRAM OBJECTIVES AND BASIC COMPONENTS

- 3.1 The overall objective of the project is to contribute to strengthening the institutional capacity of NGOs that provide training and labor market services to micro, small and medium enterprises so they may deliver services more efficiently and enhance their organizational sustainability. In order to achieve the objectives, the project will consist of three components: (i) Program design and selection of partners to facilitate the expansion and improvement of the supply of training services available to NGOs through the systematization of a regional training program; (ii) Training of trainers in the new curricula and methodologies to develop core staff in each partner institution to achieve a multiplier effect of the training programs; and (iii) Pilot training implementation and monitoring designed to test and consolidate a regional-based model for delivering and expanding training to NGOs.

A. Selection of partners and program design (MIF US\$175,000/Local US\$ 60,000)

- 3.2 The first activity of this component is to select competitively partner organizations in six countries (Guatemala, Nicaragua, Colombia, Peru, Bolivia and Uruguay) based on criteria established during the project design, including: track record in working with NGOs in financial sustainability, regional recognition for excellence in NGO training programs, financial standing, and administrative infrastructure. Detailed terms of reference for the selection of the partner organizations have been prepared as part of the project design (see project archives). The project analysis phase established the overall universe of NGOs providing services to micro, small and medium enterprises - approximately 190 organizations. These detailed terms will be sent to those organizations that were identified as being able to fulfill the selection criteria (approximately 60 out of the 190). The project will develop a methodology to evaluate the training proposals from this target audience and using this methodology will select six partners, one in each target country.
- 3.3 The second activity of this component will be to finalize the comprehensive regional bibliography of training programs and materials in the field of financial sustainability for NGOs that was initiated as part of the project design. Particular emphasis will be paid to materials that relate to the six training modules to be developed by the project. The bibliography will reference existing documents such as books, magazines, articles, web sites, etc. Based on this review and from discussions and focus groups with NGOs, the project design identified six key training modules, each with a five-day (40-hour) duration, for delivery by the six partner organizations in this project. The modules are as follows: Organizational Diagnostic, Institutional Strengthening, Financial Sustainability, Entrepreneurism, Resource Mobilization, and Tools for Sustainability. The total package of training is 30 days or and can be delivered as individual modules or as weekly packaged programs.
- 3.4 A long-term curricula design consultant (eight months) will be contracted to adapt and develop training materials such that they address the specific target audience of this project and so that there is a consistency in the presentation of the training throughout the region. The curriculum design consultant will be responsible for customizing the modules over the first 12 months of project implementation for delivery in the second and third years of the grant period. Additional short-term courses in specific areas would be developed as required by market demand through an on-going needs assessment conducted by the project (see paragraph 3.6). All courses developed would have a short duration (between 15-45 hours) and would be designed in active cooperation with partner organizations.

B. Training of trainers (MIF US\$ 160,000/ Local US\$ 90,000)

- 3.5 The objective of this component will be to instruct partner organizations in training materials and delivery. The first activity will be to organize a five-day

(40-hour) pilot training workshop for the six partner organizations. The training of trainer program will be directed at two trainers per partner organization. Each of the organizations will receive a set of training materials and a guide for their use in future training courses. A consultant will be contracted (six months) to plan and deliver this course in the second year of the project. In addition, the consultant will visit each of the six countries to provide technical assistance to the partner organizations as they begin their own pilot training courses to local NGOs.

- 3.6 The training consultant will be responsible for ensuring that the delivery is in line with the program and will prepare an assessment that will be recorded by the project's on-line management information system (see paragraph 3.9) to evaluate each trainer. The training consultant will also be responsible for monitoring training delivery in each partner organization through the pilot implementation phase and after each partner has conducted an initial package of six modules. Finally, the training consultant will organize an evaluation workshop for the trainers to establish benchmarks and to make necessary adjustments in the delivery of the training modules.

C. Pilot Training Implementation and Monitoring (MIF US\$ 270,000/ Local US\$ 150,000)

- 3.7 The objective of this component will be to implement and monitor the training modules in the six countries to 90 NGO participants per country. Partner organizations would be responsible for piloting the training modules two times in years two and three of the project to a pool of approximately 45 NGOs per session. Project staff would monitor training delivery on a spot-check basis and partner organizations would record all data and information on participants, performance and evaluations of faculty and participants.
- 3.8 Technical assistance would be provided to select and configure an on-line management information system. An expert would be engaged for four months (over a 36 month period) to provide technical assistance to project staff, including installation support, training in use of the system, and ongoing maintenance and updating. This system would facilitate the management of the project's monitoring system during project execution and would include: the bibliography and registry of training products and materials in financial sustainability for NGOs, a directory of NGOs throughout the region that offer services in this area, demand surveys conducted by partner organizations of local markets and training needs, schedules of course offerings by all six partner organizations, training fees and enrollment levels, and evaluation reports of trainers and students. This information would assist the project in continually updating and refining the training offerings piloted by the six partner organizations. The systematization of the training information will facilitate communication on progress made and share the lessons learned with the project staff, the partner organizations and other NGOs that receive and offer training services.

IV. EXECUTING AGENCIES AND BENEFICIARIES

A. Execution Structure

- 4.1 The project will be executed over a 36-month period. GADIS and PARTICIPA are the proposed grant beneficiaries; these organizations will jointly execute the regional project and will be jointly and separately responsible for local counterpart resources. GADIS of Argentina and Corporación PARTICIPA of Chile are highly regarded institutions in the region known for their extensive experience in NGO capacity building and curricula design and delivery. They have joined together for the purposes of this project so as to make maximum use of their individual strengths and separate NGO region-wide networks.
- 4.2 GADIS has worked since 1983 to strengthen civil society organizations, their initiatives and their programs. GADIS has extensive experience throughout the region in providing the following services: (i) technical assistance in the design, implementation, management, evaluation and monitoring of social programs and projects; (ii) research on the practice and definition of criteria for decision making; (iii) dissemination of lessons learned through a publications program and the organization of seminars; (iv) access to information and documentation systems through databases, directories and archives; and (v) institutional strengthening through the promotion of networks and inter-institutional initiatives. GADIS has served as the Local Support Service to the Inter-American Foundation, monitoring a portfolio of more than 500 projects and providing technical assistance to numerous associations and foundations.
- 4.3 PARTICIPA was founded in 1990, and has developed an impressive track record throughout Chile and the region. Among its services, PARTICIPA offers the following: (i) design and implementation of educational programs; (ii) organization of debates, meetings and consultations concerning citizen participation; (iii) training workshops for youth, women, social leaders; and (iv) organization of fund-raising workshops for social development organizations. PARTICIPA also has experience in the design and implementation of public opinion polls and through this work has developed impressive management information systems and data base capacity.
- 4.4 Moreover, since 1994 PARTICIPA has gained vast experience in the area of curricula design, training and provision of technical assistance to NGOs, public entities, community organizations and others. Training has been offered to approximately 5,000 people in themes such as tools for modern management, strategic planning, leadership, teamwork and fund-raising strategies.
- 4.5 The execution structure will draw on the joint leadership and individual experiences of GADIS and PARTICIPA. Administration of the project, in terms of financial reports and disbursement, will be handled by PARTICIPA. An independent Project Execution Unit (PEU) will be established in the PARTICIPA

offices in Chile and will manage the day to day project implementation. It will consist of a Project Director, a Technical Specialist, a Training Coordinator, an Administrative Assistant and an Accountant (terms of reference for PEU staff can be found in project archives). The PEU will provide leadership and logistical support for all of the training and monitoring activities in the project, including technical oversight of the training of trainers and monitoring and evaluation of the training delivery that will be conducted by the six partner institutions throughout the region.

- 4.6 An Executive Committee will be established to oversee the technical activities of the PEU as well as to make strategic policy decisions about the direction of the project. This Committee will be comprised of the Executive Directors of PARTICIPA and GADIS. The Committee will meet on a regularly scheduled basis every three months and will be responsible for (i) the selection of the Project Director in accordance with Bank procurement procedures; (ii) the authorization of the regional project work plan and consultant hiring; and (iii) technical leadership and quality control of the project.
- 4.7 GADIS and PARTICIPA, through the PEU, will be jointly responsible for the following activities: (i) Establishing and maintaining adequate accounting, financial, internal control, and filing systems, which will allow for detailed identification of sources and uses of funds of the program. The project's records will: identify sums received from different sources; report project spending, distinguishing between MIF contributions and funds from other sources; and, include details necessary to identify goods acquired and services contracted. (ii) Open separate and specific bank accounts for the administration of the MIF's contribution, and for the local counterpart funds. (iii) Process the disbursement requests and their respective justifications of expenditures, in accordance with the Bank's disbursement procedures. (iv) Prepare and submit to the Bank the project's annual and final audited financial statements and the revolving fund's reports.
- 4.8 The PEU will submit to the IDB Country Office in Chile semiannual progress reports in which activities undertaken during the previous six months will be documented and a disbursement schedule for the following period prepared. At the beginning of each fiscal year, the grant beneficiaries will provide the Bank with evidence that local counterpart resources are available in accordance with the project work plan and annual budget. Within ninety (90) days after the date of the last disbursement, the PEU will prepare and submit a final financial statement regarding the use of the program's funds. An audit firm acceptable to the Bank will be responsible for the audit. Within three months of project completion, the IDB Country Office will submit to the MIF a Project Completion Report. Disbursements of grant funds and the purchase of goods and services will be in accordance with Bank/MIF procedures. A revolving fund of up to 10% of the grant may be made if the executing agencies so request.

- 4.9 The PEU will prepare and submit to the Bank, within a period of sixty (60) days after the closing of each semester, a semiannual report showing the use of the grant's funds as of June 30 and December 31..

B. Beneficiaries

- 4.10 Beneficiaries of the project include: (i) six NGO partners that will be strengthened through the transfer of technical know-how in the design, delivery and monitoring of training modules in financial sustainability, (ii) 540 NGOs that will purchase training from the six partner organizations; and (iii) GADIS and PARTICIPA which will have their institutional capacity strengthened by assuming the management of this comprehensive training program. Due to the demands of executing a multi-year, multi-faceted program, GADIS and PARTICIPA will benefit from having to improve their organizational and administrative capabilities.

C. Project Readiness

- 4.11 The design, budget and activities planned under the project have been reached in collaboration with the grant beneficiaries and with the assistance of the Bank team. A demand analysis of NGOs in the region was conducted by design experts to arrive at a list of potential partners and training modules and to establish willingness of NGOS to pay for the training proposed. Studies were also consulted on the supply of training and education services on the local market and from these reports and consultations with local providers, the project team was able to identify a significant demand for the training and indicators for the number of NGO participants.
- 4.12 The local counterpart contribution has been confirmed, including the allocation of in-kind and cash expenditures. The composition and functions of the Executive Committee (see paragraph 4.5) have been agreed to with the beneficiaries and this oversight body as designed will technically guide and enable project implementation by allowing the PEU to operate independently on a day-to-day basis.

D. Environmental and Social Impact Committee (CESI)

- 4.13 The CESI met on June 26, 2000 and approved this project proposing that the development of environmental training and technical assistance modules be included in the curriculum and non-financial services offered by NGOs to their clients, particularly microenterprises. The CESI recommended that the executing agencies apply the Bank's Environmental Guidelines for Micro and Small Enterprises to NGOs providing non-financial services to micro and small enterprises whenever feasible. The executing agencies will be instructed in the Bank's environmental guidelines and these guidelines will be used as appropriate in the training delivery.

V. COST, SOURCE OF FINANCING AND COST RECOVERY

COMPONENTS / BUDGET CATEGORIES	MIF US\$	LOCAL US\$	TOTAL US\$
Program design and selection of partners	175,000	60,000	235,000
Training of trainers	160,000	90,000	250,000
Pilot Training Implementation and Monitoring	270,000	150,000	420,000
Project Execution	150,000	300,000	450,000
Evaluations	75,000	---	75,000
Audit	20,000	---	20,000
Contingencies	50,000		50,000
TOTAL	900,000	600,000	1,500,000

- 5.1 The cost of the program is estimated at US\$1,500,000 of which the equivalent of US\$900,000 will be provided from the MIF (Human Resources Facility) on a non-reimbursable basis, and the equivalent of US\$600,000 will be provided as local counterpart funding, in accordance with the preceding table--US\$300,000 of the local counterpart will be in cash and the balance, US\$300,000 will be in-kind. A detailed cost table may be found in the project archives.
- 5.2 The sustainability of the program depends largely on revenue that will generated from the sale of training packages by the partner organizations. NGO partners will be required to pay a commission of 15% of the training packages to the project to ensure that the operational costs of the execution unit are sustained by the end of the grant period. In addition, revenue will be generated through the sale of training materials developed by the project for each of the six modules and for other courses that will be sold to interested parties. All revenue will be used to sustain the technical assistance, monitoring and promotional activities of the project. At the end of the grant period, GADIS and PARTICIPA will sustain the program by continuing to sell the training materials and collect commission from partner organizations that sell the training packages.

VI. BENEFITS AND RISKS

A. Benefits

- 6.1 Benefits of the project include: (i) the development of a regional approach for NGO training in financial sustainability that will be tested and evaluated in six countries; (ii) the generation of training materials for trainers and for NGOs, customized to the Latin American reality; and (iii) the development of and support for a network of training providers in the region.
- 6.2 Other entities that will benefit from the project include the micro, small and medium enterprises of the region that receive training and technical assistance from NGOs. As the NGOs are strengthened, the services they offer will, in turn, improve quality and supply of small businesses' products.
- 6.3 The project will also assist in opening the path for the private sector to receive training and other services from NGOs. In this way, relations will be strengthened between the market sector and the non-profit sector, each sector benefiting from the other.

B. Risks

- 6.4 The principle risk is in satisfying the demand for the services that the project will offer. The project analysis revealed a high level of demand for training NGOs that offer non-financial services to micro, small and medium enterprises. While the study also revealed a pool of training providers in the area of financial services, it showed very little systematic offers of training in non-financial and labor market services. The risk is mitigated by an aggressive marketing strategy on the part of the partner organizations and other NGOs that receive the training modules from the program. By marketing their training and services to a wide-ranging audience, the beneficiary NGOs will be able to respond to the unfulfilled demand.

VII. PERFORMANCE INDICATORS AND EVALUATION

- 7.1 The MIF will contract individual consultants to carry out two independent evaluations of the project. A mid-term evaluation will be performed following the pilot implementation phase when each of the six partner organizations has conducted initial training delivered in a package of six modules. A final evaluation will be conducted within three months after project completion. The Bank, in consultation with the executing agencies, will prepare terms of reference for these evaluations.

- 7.2 The IDB Country Office in Chile, with the support of the project team and the executing agencies, will carry out annual performance evaluations to establish whether the project is progressing satisfactorily and is expected to attain its intended development objectives. These annual evaluations will identify annual local counterpart requirements and remedial actions to determine if the project should be continued as designed, reformulated, or cancelled. The timing of these joint evaluations will take into account the content of the progress report (see paragraph 4.8) and the results of the independent evaluation.
- 7.3 The PEU will be responsible for compiling quantitative and qualitative indicators for monitoring and for the mid-term and final evaluations. These indicators are reflected in the logical framework (Annex I) and will be monitored and reported by the Country Office in agreement with the grant beneficiaries to gauge the project's overall development impact and results.
- 7.4 Within three months after the conclusion of project implementation, the final evaluation will be performed. External consultants will evaluate the project's impact on individual firms, as well as the overall results and development impact. The grant beneficiaries will provide access to all the information and documentation needed to conduct the final evaluation.

VIII. SPECIAL CONTRACTUAL CONDITIONS

- 8.1 In addition to the Bank's general contractual conditions applicable to the operation, prior to the first disbursement of funds, the executing agencies must present to the satisfaction of the Bank, (i) evidence of the establishment of the executing unit with the Project Director named to head the unit; and (ii) evidence of an agreement signed between GADIS and PARTICIPA defining the mechanisms to coordinate the project's activities.

IX. EXCEPTIONS TO POLICIES AND PROCEDURES

- 9.1 The project implies no exception to Bank policies and procedures.

SUMMARY OF LOGICAL FRAMEWORK

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
GENERAL OBJECTIVE			
strengthen the institutional capacity of NGOs by offering training that will increase their skills in the areas of internal management and administration and financial sustainability.	540 NGOs undergo training in financial sustainability offered by six partner institutions	Monitoring and evaluation of training programs conducted by project	Market exists for NGO training; fund raising and financial sustainability; key weaknesses among private non-profit organizations; funds mobilization
COMPONENT 1: Program design and selection of partners			
<p><u>Specific objective:</u> To develop and adapt training programs for NGOs that provide training and labor market services to micro, small and medium enterprises and to identify and competitively select six partner institutions to work with in delivering the training modules</p> <p><u>Activities:</u></p> <p>to select competitively partner organizations in six countries (Guatemala, Nicaragua, Colombia, Peru, Bolivia and Uruguay) based on criteria established during the project design</p> <p>to finalize the comprehensive bibliography of training programs and materials in the field of financial sustainability for NGOs that was initiated as part of the project design</p>	<p>Design of methodology for the review of solicitations from NGOs; Hiring of consultant to review NGOs proposals;</p> <p>Identify consultant to work on curricula design;</p>	<p>Completed methodology for ranking proposals; Selection of six partner organizations.</p> <p>Contract consultant; Adaptation/design of modular courses</p>	<p>Large pool of NGOs is available in the market for this type of training</p> <p>New and improved curricula customized to the Latin American context are not readily available from NGO service providers.</p>
COMPONENT 2: Training of trainers			
<u>Specific objective:</u> To transfer the technical know-how and training			

OBJECTIVES	INDICATORS	MEANS OF VERIFICATION	ASSUMPTION
<p>Methodology of the modular programs to be developed in the six partner organizations.</p> <p><u>Activities:</u></p> <p>To organize a five-day (40-hour) pilot training workshop for the six partner organizations.</p> <p>To organize an evaluation workshop for the trainers to establish benchmarks and to make necessary adjustments in the delivery of the training modules</p>	<p>12 master trainers developed in the six partner institutions and other staff familiarized with the training modules and program.</p> <p>Benchmarks for performance developed</p>	<p>Attendance by trainers in 40 hour training workshop;</p> <p>Consultant contracted (six months) to plan and deliver this course in the first year of the project;</p> <p>Training materials modified and information management systems updated</p>	<p>Viable pool of staff existing in partner institutions to disseminate training modules</p>
COMPONENT 3: Pilot Training implementation and monitoring			
<p><u>Specific objective:</u> to implement and monitor the training modules in the six countries.</p> <p><u>Activities:</u></p> <p>Delivery of training program in 6 countries by partner organizations</p> <p>Management information system configured for project to track NGO performance, trainers, curricula, materials, and evaluation processes.</p>	<p>90 NGO participants trained per country.</p> <p>Training provided to project staff, in the installation and use of the management information system.</p>	<p>Project monitoring and information system</p> <p>Expert contracted for 4 months.</p>	<p>Demand for NGO training and financial sustainability is high and there is a willingness among service providers to use specific modules.</p>

PROPOSED RESOLUTION

REGIONAL. NON REIMBURSABLE TECHNICAL COOPERATION FOR FINANCIAL SUSTAINABILITY OF NON-GOVERNMENTAL ORGANIZATIONS.

The Donors Committee of the Multilateral Investment Fund

RESOLVES:

1. That the President of the Inter-American Development Bank or such representative as he shall designate is authorized, in the name and on behalf of the Multilateral Investment Fund, to enter into such agreements as may be necessary with the *Grupo de Análisis y Desarrollo Institucional y Social (GADIS)*, *Corporación PARTICIPA*, and/or their respective subsidiaries and affiliates, and to take such additional measures as may be pertinent for the execution of the project proposal contained in Document MIF/AT-_____ with respect to a technical cooperation program to promote the financial sustainability of non-governmental organizations.
2. That up to the sum of US\$900,000 or its equivalent in other convertible currencies shall be authorized for the purpose of this resolution, chargeable to resources of the Human Resources Facility of the Multilateral Investment Fund.
3. That the above-mentioned sum is to be provided on a non-reimbursable basis.