

DRY ZONE PROGRAMME

GUIDELINES FOR SUBMITTING CONCEPT NOTES AND FULL PROPOSALS

Introduction

The LIFT Fund Board has decided to allocate US\$50 million over the period to end 2018 to the implementation of a programme in the Dry Zone of Myanmar (DZP). The funds would be disbursed in two or more tranches, the first tranche being for US\$30 million.

LIFT's Strategy

*"LIFT's **vision** is to be a collective and influential voice for innovation and learning and providing a platform for enhanced policy engagement on agriculture, food security and rural development. LIFT's **goal** is to contribute towards Myanmar's achievement of Millennium Development Goal 1 to halve the numbers of people living in poverty and hunger. LIFT's **purpose** is to increase the income and nutrition of 2.5 million people by focussing on interventions that increase food availability, utilization and stability of access to food."*

LIFT's goal and purpose will be met through the achievement of four outcomes:

1. Increased incomes of rural households.
2. Increased resilience of poor rural households and communities to shocks, stresses and adverse trends.
3. Improved nutrition of women, men and children.
4. Improved policies and effective public expenditure for pro-poor rural development.

The narrative that connects these outcomes can be found in the way LIFT understands the structural dynamics of the rural economy and the implications for its target group – poor smallholder farmers and the landless. The Strategy differentiates its target group into:

- Households with commercial potential to '*step up*' the value ladder and out of poverty. They have the opportunity as a result of access to land, labour and markets to invest in achieving higher productivity agriculture and LIFT can support them in doing this.
- Households that can productively '*step out*' of agriculture, and into more productive sectors of the economy or can profitably deliver support services in the rural non-farm economy. LIFT can facilitate this process and minimise adverse impacts on the household of making such a transition.
- Households without commercial potential or opportunities to leave agriculture or the rural economy and that have little option but to '*hang in*'. For them, own account subsistence agriculture or working as

agricultural labour is, in effect, a safety net. For those in this situation, LIFT can take direct steps to improve their food security and nutrition.

DZP structure

The programme for the Dry Zone is expected to address opportunities and challenges in livelihoods, agriculture, rural development and food security reflected in the four main outcomes in the new LIFT Strategy.

LIFT will devote its resources to positively impacting the rural economy and enhancing the opportunities for all members of its target group through:

- Village-based interventions that will help households to realise their economic potential as farmers (productivity raising activities), as landless (income-generating activities and jobs in the non-farm economy) or as potential migrants (making migration safe and productive, and with maximised income potential), whilst protecting and enhancing the resilience of the poorest (through social protection measures).
- Supporting economic activities that play out at regional or national level and that can help to improve the overall environment and offer economic opportunities, for example delivering a range of financial products and strengthening inclusive value chains.
- Actively harvesting lessons and generating evidence to achieve systemic change through targeted advocacy that will inform the formulation of better, pro-poor policy and effective public expenditure.

The DZP will comprise activities and outputs that address all three levels of intervention. LIFT will monitor and attempt to enhance the impact of its programmes upon household nutrition, and be alert to possible adverse and often unintended impacts upon household and community resilience.

Programme design process

The LIFT Fund Board has adopted a design process that is less prescriptive than on previous occasions. It has determined the geographic location of the programme and requires that the overall design be strictly in line with the high level outcomes in the new LIFT Strategy. However, the specification of expected outcomes and outputs in the Dry Zone has been the result of extensive consultations with partners and agencies that have engaged with LIFT and that are considered potential partners in implementation.

Geographic focus

LIFT has already identified six townships in the DZ that present many of the challenges and opportunities of the entire natural geographic area and offer the opportunity to demonstrate outcomes in a systematic manner. LIFT's new strategy emphasises the importance of learning from all its activities and aims to demonstrate effective models and approaches for the benefit of all stakeholders.

Mandalay Region Townships	Magway Region Townships
• Myingyan	• Pakokku
• Taungtha	• Yesagyö
• Natogyi	
• Mahlaing	

Consultation

LIFT is determined that the planning process for the DZP should be open, transparent and collaborative, with all the material and notes from consultations placed on the LIFT web site. LIFT is also committed to following a more active partnership role in the design and implementation of the DZP. This means not only engaging with potential partners throughout the design process but also through implementation.

The engagement with NGOs and agencies as potential partners in implementing the DZP started with an extensive series of consultations around the definition of expected outcomes and outputs under five main focus areas or sub-programmes:

- Crops
- Livestock
- Water
- Social Protection
- Financial inclusion

In addition, a number of cross-cutting themes emerged from the consultation and these will also be addressed under the programme including:

- Value chain development
- Environment and natural resource management
- Seed industry development

The FMO will continue to engage with potential partners after the launch of the Call for Concept Notes (CCN) through a series of consultation sessions and will stand ready to respond to any queries about the process or scope of the submissions. It will also, as outlined below, work closely with short-listed partners in defining the scope and content of the programme at township level.

Consultation with government, in particular with township authorities, is an important part of the design process.

Sequencing

The design process set out above is intended to be inclusive and flexible, responding to the assessments and capacities of partners as well as the priorities and opportunities to engage with government. The active involvement of the FMO, which started with the Working Group consultations, will continue throughout the process outlined below:

1. Invitation for a Call for Concept Notes (CCNs) from potential partners
2. Initial consultation by the FMO with the six target townships

3. Appraisal of CNs by the FMO and short-listing of potential IPs by the LIFT Fund Board
4. Joint consultation with townships by the FMO and the short-listed potential IPs in order to:
 - a. Identify DZP villages in each township
 - b. Assess the constraints and opportunities in each township and to define the scale and scope of different activities
 - c. Agree on a results framework and outcomes to be achieved
5. Preparation of full programme proposals by short-listed IPs
6. Evaluation of full proposals by the FMO
7. Selection of IPs by the Fund Board
8. Negotiation and contracting IPs against clearly-defined results related to specific programme outcomes as well as associated studies and services.

Other procurement processes may be undertaken to support the DZP, eg research, studies, evaluative activity etc.

Programme implementation

In view of the likely complexity and scale of the DZP and lessons learnt from previous programmes, it has been decided that the FMO should take a more active role in overseeing the implementation of the programme than before. It is not intended that one IP would take on the role of 'lead' IP. Instead, the FMO would establish a Sub-FMO office (FMO/DZ) in the DZ with responsibility for:

- Overseeing the coordination of activities by contracted IPs
- Supporting M&E
- Managing consultation and dialogue with township authorities

The FMO/DZ is likely to comprise:

- Coordinator
- 2-3 Technical Programme Officers (e.g. agriculture, water, social protection)
- M&E Officer

The LIFT FB has decided to adopt a 'rolling programme' approach to the implementation of the DZP. The FMO/DZ would be in a position to assess implementation progress on a regular basis, identify lessons and advise on the allocation of additional resources to the most effective activities, or to halt those that are not progressing well. Through a periodic review process (annual), the FB would decide how to allocate the US\$20 million that has not been committed in the initial contracts.

Submission process

Concept notes

The preparation of CNs should be in response to the DZP "*Definition of Expected Outcomes and Outputs*" (Annex 1 attached). This document presents outcomes and outputs aligned to the four central LIFT strategic outcomes on income, resilience, nutrition and policy. It also provides a summary of the result of consultations between the FMO and potential implementing partners according

to the broad sub-programmes: crops, livestock, water, social protection and financial inclusion.

Those submitting CNs must ‘map’ the scope of their proposed activities across any or all of the LIFT strategic outcomes and sub-programmes, and their geographic focus, including one or more of the target townships. They should also explain clearly the status of their MoUs with government with respect to the 6 selected townships. However, it is not intended to exclude from consideration partners that do not have MoUs to operate in these townships.

The LIFT FMO will make an assessment of the CNs on the basis of the criteria outlined below. (Annex 1 attached).

Full proposals

Following the short-listing of CNs and the initial joint consultation with the township authorities (described above), short-listed bidders should submit full programme proposals. This would be done in consultation with the FMO, allowing active and ‘real-time’ resolution of issues related to the scale, scope and content of the proposals. The format and key elements required in the full proposals are outlined below in “*Terms of Reference for Full Proposals*” (Annex 2 attached).

Special considerations

In assessing CNs and full proposals, consideration will be given to the extent to which evidence is provided in support of the activities and outputs proposed, and value for money is demonstrated. This would include:

- **Evidence:** The presentation of evidence that the activities proposed are likely to achieve the expected results. Evidence may include:
 - Previous documented achievements through the proposed activity by the proposing body or other, within Myanmar or the region or elsewhere
 - Project/programme evaluation reports
 - Independent reviews or meta-analyses
- **Value for money:** The proposal should provide simple analysis to show that the activity offers the best and most cost-effective way of achieving the intended result, including:
 - Cost comparisons of alternative ways of achieving the intended result
 - Simple cost-benefit analysis of alternatives to demonstrate that the proposed activity or approach offers the greatest return
 - Simple farm level financial analysis to demonstrate the financial viability of proposed household enterprises

It is expected that evidence would be outlined briefly in the CNs, but more detailed documentation and elaboration of value for money calculations would be expected in the full proposals.

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Annex 1

TERMS OF REFERENCE FOR CONCEPT NOTES

Purpose of the terms of reference

The purpose of the terms of reference is to provide potential partners responding to a Call for Concept Notes (CCNs) for the LIFT Dry Zone Programme (DZP) with an outline of the expected scope and content of the Concept Notes that they submit.

Concept Note format

The CN should not exceed 20 pages, excluding any technical annexes.

Summary

Provide a short summary of the proposal listing the component parts of the programme.

Programme scope:

The CN should 'map out' the intended geographic area (township) to be covered, and the LIFT DZ outcomes to be addressed.

Programme Development Objective:

The CN should provide a clear definition of the problem definition and overall programme development objective (PDO), demonstrating how it fits with the overall Dry Zone Programme outcomes as represented in the DZP Results Framework.

Analysis

A brief outline of the background analysis to the theory of change and DZP results framework should be set out. This could reference studies, LIFT data, donor activities and other evidence in support of the proposal.

Theory of change:

A simple description should be presented of the way in which the proposed components and activities contribute to the achievement of the PDO as a 'theory of change' (TOC).

Results framework:

Linked to the TOC, a coherent but simple results framework should be set out which covers the intended target beneficiaries, sector/technical focus, and broad outputs and activity types. Indicative expected results should be described. It should be clear how the CN results framework dovetails with the DZP results framework.

Budget:

The CN should present an indicative budget estimate of the proposed programme, reflecting the outcomes to be addressed and the geographic scope.

Description of each component

The CN should provide an overall description of each of the main components of the programme. This should include:

- Specific LIFT DZP outcomes that will be addressed
- Component location – estimated number of villages
- Component duration
- Target beneficiaries
- Expected results
- Technical, economic and social aspects of the activity together with indications of evidence of effectiveness
- Anticipated sustainability and environmental impacts
- Outline organisation and management of the activity
- Proposed role of government at township level
- Issues that need to be addressed

Approaches used

A brief description should be given of the approaches to be used in delivering different components. In particular, for village level activities, the approach to social mobilisation should be explained.

Risk assessment framework:

Linked to the results framework, a broad assessment of the risks associated with each element in the results should be set out in the form of a Risk Assessment Framework, setting out the degree and likelihood of each risk and the mitigating actions.

Consultation

Any consultative processes that have informed the CN should be described. Reference should be made to engagement with key stakeholders including farmers, landless, government and NGOs.

Implementing partners

A brief description should be given of the implementing body making the proposal and its partners, including technical expertise and specific experience in the DZ and the selected townships.

Next steps

The CN should describe how the bidder intends to move ahead from concept to full proposal in finalising its design. In particular, attention should be given to cross-cutting issues including gender, environment and human rights.

Action plan:

The timeline for the proposed activities should be set out in the form of an Action Plan.

TERMS OF REFERENCE FOR FULL PROPOSALS

Purpose of the terms of reference

The purpose of the terms of reference is to provide IPs short-listed as potential implementation partners with an outline of the expected scope and content of the full programme proposals that they submit. The submission of a full proposal will follow short-listing by the Fund Board and participation together with the FMO in consultations with the selected township authorities.

Results

LIFT intends to focus its DZP implementation on the successful delivery of well-defined results. Definition of the scope and scale of results to be achieved against different programme outcomes will be determined through dialogue between the IP, FMO and township authorities.

Full Proposal Format

Summary Description

Programme Development Objective:

The proposal should provide a clear definition of the programme's development objective (PDO), how it fits with the overall Dry Zone Programme PDO, DZP Results Framework, and with LIFT's log frame.

Theory of Change:

A description should be presented of the way in which the proposed components and activities contribute to the achievement of the PDO as a 'theory of change' (TOC).

Results framework:

Linked to the TOC, a coherent results framework should be set out which covers the intended target, focus, activities, intended results and 'SMART' indicators. It should be clear how the CN results framework dovetails with the DZP results framework.

Risk assessment framework:

Linked to the results framework, a systematic assessment of the risks associated with each element in the results should be set out in the form of a Risk Assessment Framework, setting out the degree and likelihood of each risk and the mitigating actions.

Action plan:

The timeline for the proposed activities should be set out in the form of an Action Plan.

Implementing partners

A full capability statement should be provided of the implementing body making the proposal and its partners. Any formal partnership arrangements or consortia agreements should be set out.

Budget envelope:

An outline indicative budget for the programme should be presented in line with LIFT's budget categories.

Components of the Programme

Technical elements of the programme

The programme activities (or activity types) should be described including:

- The inputs and outputs associated with the activity at community and household level
- Evidence that this activity (or activity type) has worked successfully in the Dry Zone, Myanmar, Asia region or elsewhere? [Documentation required]
- The need for and availability of technical skills needed to ensure successful implementation of the activity – expected role of IPs and government
- Need for short or long-term technical assistance to ensure success
- The likely number of beneficiaries and their characteristics (farmers, landless, women etc) and distribution within the programme area
- Issues: Need for additional information or technical assurances

Economic feasibility

The following aspects should be addressed:

- Consistency between the proposed programme investment and the development goals of the overall DZP
- Demonstrated value for money of the activity or programme – if possible, compare with alternative approaches
- Estimate the financial viability (rate of return) of the activity at household and/or community level – simple cost benefit analysis
- Make explicit the assumptions about the costs of project inputs and the value of outputs
- Demonstrate the viability of the activity at the farmer (beneficiary) level in terms of return to labour, borrowing required and level of risk
- Outline the balance of investment to different programme components and justify the activity mix
- Demonstrate that the proposed mix of interventions is likely to be the most cost-effective means of achieving the desired outcomes

Social feasibility

The following aspects should be addressed:

- Describe the expected distribution of benefits from the programme within the target communities
- Assess the benefits that are expected to accrue to the poorest and landless
- Assess the extent to which will women benefit

- Describe whether PWDs or the elderly would be able to participate in the programme and specific activities
- Identify and explain how any collective ownership rights would be addressed
- Describe ways in which the balance of power/leadership within communities might shift as a result of the programme
- Identify any aspects of the programme that might adversely and selectively impact local ethnic groups

Partnerships with government

A full description should be given of the way in which the proposed activity or set of activities would interface with government at township level. This should include:

- Proposed role for government services in delivering outputs
- Assessment of government capacity to deliver defined outputs
- Outline of the contribution expected by government
- Outline of the financial or technical support to government or capacity building that would be required
- Evidence that government would be willing and/or able to fulfil its role in the implementation of the activity

Note: LIFT is now able to broaden the ways in which it works with government including: payment of daily subsistence allowances, supplying technical assistance personnel, providing certain items of equipment, and small grants (up to \$10,000).

Environmental impact and sustainability

The following aspects should be addressed:

- Outline the anticipated environmental impacts of the different programme components
- Make credible plans for mitigating any likely adverse environmental impact
- Describe the extent to which different activities and the programme as a whole is likely to be sustainable

Village level social mobilisation

The approach to the implementation of village level activities should be described in detail including:

- Social mobilisation approach
- Evidence of the efficacy of the approach
- Experience with the approach in Myanmar and the Dry Zone

Cross-cutting dimensions

- **Gender:** describe areas where the programme would expect different roles for men and women and assess the differential positive or negative impacts
- **Human rights:** describe how a rights based approach to development is provided by the design approach of the proposal and how key rights issues are accommodated, eg persons with disabilities

- **Capacity building:** propose specific capacity building activities required for the implementation of the programme

Organisation and management

Implementation arrangements

The following aspects should be addressed:

- Describe the overall approach to designing and implementing the programme
- Identify the key stakeholders in the organisational arrangements
- Assess the extent to which the agencies implementing the programme have the necessary skills and specify the type and scale of external technical expertise required
- Identify the role (if any) of the private sector in undertaking or supporting the implementation of the programme
- Describe the flow of funds within the programme
- Describe the expected role of government at township, region and national level, especially the way in which government personnel are expected to engage with programme staff and beneficiaries

M&E

The following aspects should be addressed:

- Describe the M&E for the programme
- Show how the M&E framework proposed is in line with LIFT's overall M&E framework
- Propose credible tools for conducting M&E
- Outline any proposals for training implementing partners in the M&E system
- Describe the role in the M&E process anticipated for beneficiaries
- Identify any specific studies or tools that will ensure that LIFT can learn from the implementation of the programme and proposals for sharing results

Risks

Compile a list of risks associated with the programme covering:

- A Risk Assessment Framework [in Summary]
- Categorisation of risks identified according to their likelihood and the impact they would have
- Propose mitigating measures to address the risks identified
- Propose mechanisms to specifically monitor high risk elements of the project

Issues

Identify any outstanding issues that might delay or compromise the successful implementation of the programme – policy, availability of data, lack of skills etc