

**PROJECT MEMORANDUM – LOGFRAME****Making Commodity and Service Markets work for the Poor in Southern Africa (ComMark)****ComMark LOGFRAME**

Project Name: **Making Commodity and Service Markets Work for the Poor (ComMark)**  
Country/Region: SACU Region  
Date of Preparation: November 2002  
Design Team: DFID-SA & ECI  
Latest Date of Revision: February 2003

<b>Narrative Summary</b>	<b>OVis</b>	<b>MoV</b>	<b>Assumptions</b>
<b>Goal:</b>			<b>(Purpose to Goal)</b>
To contribute to the reduction of the incidence of poverty and inequality in Southern Africa	1.1 Contribute to reducing the number of people living under WB poverty line (\$1/day) by 5% from 2002 to 2007  1.2 Contribute to improving the Gini Coefficients [available for Lesotho (0.56), SA (0.59) & Swaziland (0.61) <sup>1</sup> ] by 5% from 2002 to 2007	1.1 Regional, National & International statistics	
<b>Purpose:</b> To enhance the growth and development of selected commodity and service sectors in the SACU region for the sustainable benefit of the poor	<b>End of Project Status<sup>2</sup>:</b> <u>Growth</u> (How much?) Value of output of selected sectors increased by Z%, from X to Y \$ (or Rand) per annum Value of exports from selected sectors increased from X to Y Rand per annum <u>Jobs</u> : (How many people benefit?) Number of people employed or self-employed in selected sectors increased by X% <u>Equity</u> : (Who benefits?) Increased ownership and participation in selected sectors by previously disadvantaged individuals (specifically the poor and women) Average income of poor producers is increased by X% in selected sectors	1.1 Studies on each sector at start and end of the project period	Unanticipated changes in the wider environment do not undermine the ability of sectors selected to contribute positively to national and regional performance figures  The region remains politically stable & conducive to market-based initiatives like ComMark
<b>Outputs:</b> 1. More effective operation of commodity and service markets facilitated successfully in selected (sub-) sectors, with high pro-poor benefits	<u>Systemic change in markets</u> (achieved through sub-sector interventions <sup>3</sup> )  Positive change with respect to, e.g.: - Regulations, policies and standards shaping markets & market access - Services available to support the development of commodity markets - New products & services of particular relevance to the poor and women - Improved quality and quantity of information available & accessible to poor producers - Pro-poor linkages between different actors established & improved - Understanding of environmental and HIV issues and use of appropriate means to address these	1.1 Comparison of initial sector study with similar sector studies during and after programme period  1.2 Quarterly and annual reports  1.3 Annual and mid-term project OPRs  1.4 Periodic studies focussed on the environment and HIV/AIDS within sectors and across the programme as a whole	Macro-economic, social and political conditions are conducive to pro-poor development  Anti-competitive practices by other countries do not undermine the competitiveness and market access of Southern African products  ComMark partners share concern about HIV and prioritise both prevention and impact mitigation efforts  The potential for higher HIV/AIDS infection rates resulting from increased interaction (through market development) is mitigated by HIV interventions developed and mainstreamed by this (and other programmes).

<sup>1</sup> World Bank. World Development Indicators 2002.

<sup>2</sup> Each subsector logframe will quantify the xx's and yy's, and the global figures for ComMark will represent the sum of these.

<sup>3</sup> Sub-sector investment programmes will be guided by individual sub-sector logframes, each of which will contribute to the fulfilment of ComMark's Purpose, according to a nested logframe structure. See Annex L for a draft logframe of the proposed Lesotho Garments investment programme.

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<p>2. Lessons learned from ComMark's implementation are disseminated effectively &amp; incorporated by sector stakeholders into improved practice</p> <p>3. Effective structures and mechanisms established to promote, manage, implement and monitor ComMark.</p>	<p>2.1 High quality information on sector experience well communicated to stakeholders            2.2 Improved organisation &amp; operation of (sub-) sectors &amp; stakeholders' representative bodies            2.3 Innovation &amp; diversification of existing products, processes &amp; pro-poor linkages.</p> <p>3.1 ComMark well-known and well perceived in the region            3.2 Board/Advisory/Governance structure operates effectively            3.3 ComMark well managed (annual disbursements = projections; 70% of initiatives completed on time, within budget)            3.4 Financial systems produce accurate information and receive positive audit reports            3.5 Information generated is conducive to effective decision-making by Board</p>	<p>2.1 Annual, mid-term and end of project/impact reviews            2.2 Annual Reports, mid-term and end of project/impact reviews            2.3 Annual Reports, mid-term and end of project/impact reviews            3.1 Customer/client/partner satisfaction assessments            3.2 Quarterly/Board reports            3.3 Annual, mid-term and end of project reviews            3.4 Quarterly reports &amp; audit reports</p>	<p>Sub-sector stakeholders are willing to co-operate around agreed agenda</p> <p>Regional institutional and political environment remains conducive to the establishment &amp; efficient operation of ComMark.</p>
<b>Activities:</b>	<b>Inputs:</b>	<b>£'s</b>	
<p><u>1.0 (Sub)-Sector Programmes:</u>            1.1 Set criteria for sector identification            For each sector:            1.2 Identify &amp; select sectors and key individuals and institutions within sectors            1.3 With sector partners, commission in depth (sub)-sector studies and research to identify problems, constraints and opportunities for intervention            1.4 With sector partners, design sector programmes and sub-projects (including sub-sector logframes) to proactively address constraints and respond to opportunities            1.5 Support sector partners to implement sector programmes</p>	<p>Research studies, Regulatory Impact Analyses etc.            Develop ToRs, administration &amp; contracting arrangements (ComMark Guide)            Workshops, conferences, publications, media            Workshops and other training events            Sector programmes and specific interventions            Joint donor collaboration and co-financing as appropriate</p>	<p align="center"><u>16,000,000</u>            - R&amp;D, Studies (2m)            - Grants (14m)</p> <p>Criteria selected            Sectors identified            Sectors studied            Sector programmes designed            Sector programmes implemented</p>	<p>The wider environment continues to be supportive to identifying key change agents from the public and private sectors who are willing to engage with ComMark</p> <p>Other influences in the environment don't further distort markets to the extent that key private sector players are unable to act upon market signals as a stimulus for change</p>

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<p><u>2. Programme Learning:</u></p> <p>2.1 Set up monitoring and information capture, analysis and dissemination systems</p> <p>2.2 Learn lessons from implementation and feed these back into ComMark and other planning &amp; policy processes</p> <p>2.3 Sub-contract structured external M &amp; E audit function</p> <p>2.4 Commission specialised evaluation studies as required</p> <p>2.5 Collaborate with DFIDSA (and ComMark) on a common approach to goal-level impact assessment</p>	<p>ComMark Guide &amp; sub-contracts detailing reporting &amp; communication requirements by programme partners</p> <p>ComMark Website</p> <p>ComMark/ Sector reports, workshops, conferences</p>	1,000,000	<p>Information management systems operational</p> <p>Lessons learnt and disseminated</p> <p>External impact assessment contract in place</p>
<p><u>3. ComMark Established:</u></p> <p>3.1 Set up governance, legal and institutional structure of ComMark</p> <p>3.2 Put in place arrangements for the management of ComMark</p> <p>3.3 Recruit staff complement of ComMark</p> <p>3.4 Identify and work in partnership with (Sub)-Sector change agents (institutional and individual)</p> <p>3.5 Set up effective financing mechanisms to identify &amp; drive ComMark research &amp; investment</p> <p>3.6 Set up financial management systems</p>	<p>ComMark establishment costs (transport, equipment, legal etc)</p> <p>Board costs</p> <p>Management and Staff costs</p> <p>Information &amp; systems costs</p> <p>Consulting costs</p> <p>Other running costs</p>	2,500,000	<p>Governance and institutional structure in place</p> <p>Contracts in place</p> <p>Staff recruited</p> <p>Change agents and partners identified and active</p> <p>Financial systems operational</p>
<p>4. Retained by DFID for external reviews &amp; contingency</p>	<p>OPRs, PCR</p> <p>Impact assessment</p> <p>Project preparation (already spent)</p>	<p><u>500,000</u></p> <p>- 150,000</p> <p>- 150,000</p> <p>- 200,000</p>	<p>OPRs and PCR completed</p> <p>Project prepared and approved</p>
	<p><b>TOTAL Funds</b></p> <p><b>From DFID-SA (£10 million in two phases)</b></p> <p><b>From USAID &amp; other donors (£5m)</b></p>	<p><b>£15,000,000</b></p> <p><b>Phase I £6,000,000</b></p> <p><b>Phase II £4,000,000</b></p> <p><b>Others £5,000,000</b></p>	