

Guidelines for Narrative and Financial Reporting to MISEREOR¹

Introduction

Part I of these guidelines contains information for the drafting of narrative reports in the form of binding instructions. We use the word "binding" here to emphasise the importance of following the structure of the guidelines section by section, and we would ask you to provide information on all points included therein. Of course, you are welcome to add information as you consider it necessary.

In MISEREOR's view, two sides derive benefit from the narrative report. Firstly, by shedding light on the project implementation status and achievement of objectives, it enables you to comply with accountability obligations, both within your own organisation and towards others. You also have a basis for learning lessons that are important for your ongoing work. This learning opportunity essentially builds on a process of reflection that involves project personnel and, if possible, the target group. Secondly, MISEREOR receives the information it needs on the progress made during project implementation and the effects to which the project is contributing. Apart from its own desire to learn from the report, MISEREOR, as trustee, has to meet transparency and accountability obligations towards the German public and its own donors.

We would like to follow your review processes closely on an ongoing basis and thus fulfil our supporting role as partner more effectively. For us, it is very much about joint learning - not control. We have found that projects are not automatically successful when the explicit project objectives have been achieved. The criterion is rather that the project makes an essential contribution to bringing about changes that benefit the target group, and this can also take place through non-planned effects. It is therefore necessary to keep sight of the effects set in motion by the project, intended or unintended, positive or negative, and to take these into account in the further work of the project.

¹ In the following Introduction and in Part I. Structure of the narrative report, the term MISEREOR collectively denotes Bischöfliches Hilfswerk MISEREOR (the German Catholic Bishops' Organisation for Development Cooperation), and KZE (Katholische Zentralstelle für Entwicklungshilfe, Catholic Central Agency for Development Aid). The latter is in charge of the public funds that the German Federal Ministry for Economic Cooperation and Development (BMZ) makes available to the Catholic Church for development measures.

In the first and second year of the project, an annual narrative report must be submitted to MISEREOR; after the third year, a final narrative report that covers the whole project funding period is required. The present guidelines apply to all of these reports.

When drafting the annual narrative report, aim to be as informative, concise and precise as possible. The final narrative report at the end of the project funding period should be more detailed. If application is made for the prolongation of the ongoing project, the new application must contain an assessment of the current project (see Guidelines for the Submission of Funding Requests to MISEREOR, Section 4), and this can provide a good basis for the final narrative report.

As far as possible, supplement reports with examples, photographs, interviews, quotes etc. Please ensure that outsiders can follow the relationships and effects these supplementary materials are intended to illustrate.

Part II contains the procedures for financial reporting. Their inclusion here underscores the importance we attach to treating the financial and content-related aspects of our cooperation as a whole, and not independently of each other. In contrast to the narrative report, financial reporting must be done semi-annually (half-yearly), and it must be supplemented by a separate report on activities that corresponds to Section 3.1 of the narrative report. This report on activities is not required if the annual narrative report is produced simultaneously. So every six months either a report on activities or an annual narrative report must be provided in addition to the financial reporting.

The Glossary in the Annex is designed to help you better understand and thus apply the terms in general currency at MISEREOR. If you would like to employ your own terms, please explain these at the outset and use them consistently throughout the text. In order to help the reader, please avoid abbreviations and acronyms, or explain what these stand for.

Please familiarise yourself with the contents of these guidelines at the beginning of the project.

I. Structure of the narrative report

1. General information

- 1.1 Name of the partner organisation
- 1.2 Project title and project number
- 1.3 Reporting period
- 1.4 Brief description of the genesis of the report

(Explanations: (1) Describe briefly who was involved in producing the report and how the information included in the narrative report was collected. Outline how you conduct monitoring and evaluation procedures and how the target groups participate in this. (2) For the sake of clarity, indicate throughout the narrative report which persons contributed which assessments, for example project staff, volunteer staff, representatives of the target group, others).

2. Changes in the external framework conditions and project organisation

2.1 Briefly outline the key framework conditions affecting the project that changed in the reporting period. Explain to what extent these changes influenced or could influence project implementation and the achievement of project objectives (risks or new opportunities).

(Explanation: This concerns the political, economic and social changes, positive or negative, relevant for the project and thus for the target groups in the reporting period, as well as changes in the cooperation with other important actors in the project area. If the project operates in a supra-regional or national setting, this is the relevant context of reference for the changes.)

2.2 Describe the important changes that occurred with respect to your organisation in the reporting period, for example in terms of personnel, statutes, legal status, the bodies responsible for supervision, organisational structure, internal steering and control procedures etc. Explain what these changes mean for you with respect to project implementation and objectives.

3. Progress in project implementation

3.1 Activities implemented in the reporting period

- Compare the activities implemented with those planned by drawing up a structured overview, possibly in the form of a table. Explain any deviations (i.e. implementation of more or fewer activities than planned, or activities differing from those planned), specifying the reasons and consequences. If possible, state how many people in the target group were reached.

3.2 Overview of activities implemented since the start of the project

- As a supplement to point 3.1, include an overview of the activities implemented since the beginning of the project (only relevant after the second year of the project funding period).

3.3 Furthermore, if relevant for project implementation, report on which actors in the project area are conducting or involved in similar projects and the extent to which you coordinate activities with them.

4. The effects achieved by the project

4.1 Achievement of the project objective(s)

- Describe the extent to which the intermediate objectives have been achieved and the progress made towards attaining the project objective(s). In addition to providing a descriptive assessment, indicate and explain in detail the individual achievements by stating the number of persons, families, groups, communities etc. that have been reached. Does the progress made give reason to expect that the project objectives will be achieved by the end of the project funding period? (Please take into account here the situation analysis you drew up based on Section 3 of the Guidelines for the Submission of Funding Requests to MISEREOR and the initial situation ['baseline'] set out there under Section 8.)
- Assess how the activities implemented and the project design, strategy and methods have plausibly contributed to the above-mentioned effects (please illustrate with examples where possible). Also pay attention here to the other actors working in the project area.

4.2 Observation of additional important effects

- Describe which other important effects (positive, negative, expected, unexpected), in addition to the project objectives, can be ascertained in the extended monitoring fields relevant to the project. These could include changes at political level, in the environmental conditions in the project area or conflict lines between population groups etc. Introduce other extended monitoring fields if you notice in the course of project implementation that these are relevant for project work. Inform us too about how the activities implemented have plausibly contributed to achieving the additional important effects.
- What long-term effects (or 'impacts', cf. Glossary in the Annex under 'Effects') can be established above and beyond the project objectives?
- Describe any instances in which your work has provided impetus for other initiatives in the project setting, at local, regional or national levels.

(Explanations: (1) The Glossary in the Annex contains comprehensive explanations of our understanding of effects and fields to be observed (see "Effects" and "Extended monitoring fields"). (2) Indicate the effects that have clearly emerged in the reporting period. These can be consequences of activities in the same or a previous reporting period. This means that the activities described in this reporting period under point 3 "Progress in project implementation" may lead to effects that cannot be dealt with until subsequent reports.)

5. Conclusions

5.1 Course of the project, approach and strategy, methodology and effects

What conclusions do you draw

- firstly with respect to:
 - the implementation of the measures and approach, strategy, methodology of the project
 - the quality of project management (including planning, monitoring and evaluation)
 - the participation of the target group
- secondly with regard to the effects of the project to date?

5.2 Conclusions for further planning

What conclusions do you draw, if any, with respect to improving the project approach and thus the likelihood of achieving the project objectives? What changes, if any, do you intend to make in terms of further project planning?

5.3 From your perspective, what, if any, are additional important lessons learned in the project that you wish to communicate to MISEREOR?

II. Procedures for financial reporting

Our disbursements are effected on the condition that the Statements of Receipts and Payments are carefully and timely prepared and submitted. Financial reporting to MISEREOR is based on this Statement of Receipts and Payments² form. Disbursement may be delayed if such a Statement is incomplete or not submitted on time. For this reason, an up-to-date Statement of Receipts and Payments must be submitted simultaneously with each Request for Disbursement (apart from the very first one of course, which serves to request release of the first instalment right after our Grant Approval Notice has been received).

As we would like our cooperation to run as smoothly as possible, please take note of the following explanation of the procedures that are set out in binding form in the Project Contract and the General Agreement.

1. With the first Request for Disbursement, we need the exact date of commencement of the project, details of the separate bank account to be opened exclusively for the receipts and payments of the project, and the details required for making disbursements to the legal holder or possibly to a designated third party.

2. The approved grant will be made available in the form of instalments for a maximum of six months in advance. For this reason, each Request for Disbursement must stipulate precisely the financial requirement in local currency for the next period.

3. If a monetary local contribution and/or a monetary contribution from a third party has been agreed as part of the Financing Plan of a project, please transfer the agreed percentage amount to the project bank account and include it in the next Statement of Receipts and Payments, at the latest by the end of the funding period. Please note that the approved grant amount may not be disbursed in full ("up-to" approval), in particular if project expenditures decrease, or it has turned out possible to obtain more inputs from third parties, or a higher-than-expected amount of local contribution. With regard to KZE-funded projects, the KZE percentage of funding as shown in Section 4. 'Financing Plan' of the Project Contract ("Grant provided through KZE [XX.XX %]") is also of key importance here. A post-approval increase in the KZE percentage of funding is only possible by way of exception and with prior KZE approval. In this case, the legal holder of the project must provide a written explanation and justification.

Explanations:

Local contributions:

We consider local contributions to be very important and would like to encourage you to accord high priority to these too. However, it is not possible to consider all local contributions as receipts in the Statements of Receipts and Payments. Nevertheless, please provide a separate list of all local contributions that cannot be recognised in that Statement.

The Glossary in the Annex contains a detailed explanation of local contributions, in particular which of these can be accepted in the Financing Plan of the project and hence the Statements of Receipts and Payments (see "Local contributions").

4. As mentioned above, financial reports for all projects implemented with MISEREOR/KZE support must be drawn up using the form Statement of Receipts and Payments.

² The forms mentioned here can also be found on our website at www.misereor.org/serviceorg.html; they will be forwarded to you as necessary together with the Grant Approval Notice and in the course of further project processing.

5. In all KZE-funded and some other projects, six-monthly audit reports must be submitted in addition to the Statements of Receipts and Payments. (We will give notification with grant approval as to whether auditing is necessary.) The audit must be carried out by a certified independent auditor (e. g. a Certified Chartered Accountant). MISEREOR has drawn up a list of certified auditors in many countries from which you can select an auditor for your project. The audit report should be structured with reference to Section 4. Financing Plan of the Project Contract and the Detailed Breakdown of the Cost Plan attached to the Project Contract, and it should provide information on the receipts and payments of the reporting period as well as on the total project receipts and payments since the start of the project funding period. Please conclude the contract with the auditor using the corresponding specimen Auditing Contract.
6. If Section 3. Cost Plan of the Project Contract provides for a "Reserve" item (for unexpected costs, increases in costs and exchange rate fluctuations), please note that the decision on the release of this amount can only be taken by us, and only in justified cases and on special request.
7. As a rule, modifications to the course of the project also entail modifications to the project budget. We therefore request that you apply to MISEREOR in good time for approval of all modifications in the planned budget (Cost Plan, Detailed Breakdown of the Cost Plan) that involve changes of more than 20 % in the originally planned individual categories of expenditure.
8. In the case of construction measures, please refer to the Special Rules Concerning Building Projects. These will be forwarded to the projects in question.
9. Please do not forget to confirm receipt of all grant disbursements from MISEREOR promptly, using the appropriate form (Acknowledgement of Receipt) and official bank documentation, indicating any bank charges incurred.
10. As additional information, a separate brief overview of the activities implemented in the reporting period is to be enclosed with the Statement of Receipts and Payments (see Chapter I, Section 3.1 above). This applies to the periods for which there is no narrative report. It is not necessary to include additional narrative information with Statements of Receipts and Payments that cover a period of less than six months.

Annex: Glossary (Examples are printed in italics against a grey background)

<u>Project</u>	A project is a development operation with a limited timeframe that is intended to make a specific contribution to a development process. In technical terms of MISEREOR grant approval, a project is a bundle of measures supported by MISEREOR for a maximum funding period of three years.
<u>Effects</u>	<p>We normally understand effects as a <u>change brought about by an intervention</u>³. The intervention is thus the cause of the change that occurred.</p> <p>In order to be able to speak not only about changes observed in reality but also about effects, we must establish a <u>causal relationship</u> between the change and the action responsible for this (for example the development project), such that the observed change can be described as an effect of something.</p> <p>In <u>development cooperation</u>, we define effects in particular as the changes in the material and non-material living conditions perceived by the people affected as being important, regardless of whether such changes are intended or unintended, expected or unexpected, positive or negative. They may be of a temporary or permanent nature. The changes may have been caused by the project, or the project may have only contributed to these, or they may have come about solely as a result of the actions of others.</p> <p><u>Very seldom</u> do effects emerge in the form: <u>one activity à one effect</u>. We can generally assume that one activity has several effects and that a bundle of activities will produce further effects.</p> <p>The <u>distinction between measures and effects</u> is frequently not made clearly enough: effects are not produced by a project, the project merely sets processes in motion that will bring about certain effects. Effects occur outside the project's direct sphere of influence. The products and services the project itself delivers do not constitute effects; effects appear when these things bring about changes in the lives of the people. Generally, effects begin to emerge where the outputs of a project are used by the population.</p> <p>Effects can be categorised as:</p> <ul style="list-style-type: none"> ○ <u>short, medium or long-term</u>. Effects do not manifest themselves only after the conclusion of a project, but already from the outset and during the whole funding period. They therefore also play an important role in the continuous monitoring. Medium-term effects are often first observable in the late phase of a project. Long-term effects can often not be observed until later project phases or after completion of the project, even if they were set in motion by the activities of a previous project. ○ <u>direct and indirect</u>. Direct effects are the short and medium-term changes that emerge as a direct consequence of project interventions. In MISEREOR terminology, we call them 'outcomes'. Indirect effects are the consequences of direct effects, in other words secondary and tertiary effects. In our terminology, indirect effects are 'impacts'. They tend to be longer-term and complex changes, in many cases only very indirectly attributable to project interventions as other actors also influence them. ○ <u>intended and unintended</u>, ○ <u>expected and unexpected</u>, ○ <u>positive and negative</u>: possible negative effects must be observed in the monitoring as these may jeopardise the overall success of the project. ○ <u>temporary and sustainable effects</u>: we speak of sustainable effects when the changes at target group level persist after the end of the project and possibly become more marked.

³ However, there are exceptions where the (intended) effect is in fact the maintenance of the status quo and not the change. In the context of health care and disaster and crisis prevention, the effect may be that the situation has not deteriorated. For the sake of simplicity, we refer only to "changes" in this text.

	<p>Effects can occur at quite different actor <u>levels</u>:</p> <ul style="list-style-type: none"> ○ in the population groups that aim to improve their living conditions with the support of the project, ○ in a group, possibly separate from the target group, involved in implementing a project (for example lawyers who are addressed by a project to help improve their work, thus ultimately enhancing the legal security of the population), ○ in actors in the surroundings of the target population (e.g. copycat effects by neighbours), ○ in governmental and civil society organisations that work together with the target group and which are to be influenced in their work through the exemplary successes achieved (in this way projects may engender effects that extend far beyond the strict project framework), ○ at the legal holders themselves. <p><u>It is imperative that particular attention is paid to effects at the planning stage, such that</u></p> <ul style="list-style-type: none"> ○ <u>future outcome and impact assessment</u> is planned (see "Outcome and impact assessment" and "Indicators") in order to ensure that the essential information is on hand and can be used for internal project steering and for external presentation; ○ <u>one's own planning is subjected to an additional review</u>. The question about the expected effects could be formulated as follows: If the measures are implemented as planned, what effects are expected at the target-group level and possibly beyond? In answering this question, the effect(s) formulated in the project goal and objective(s) should be among those effects expected. Should this not be the case, this could indicate a critical planning error, for the planned measures may not be appropriate for achieving the project goal/objective(s). Secondly, this consideration is helpful in anticipating possible negative side effects and planning countervailing measures from the outset. Thirdly, it is conceivable that the project measures will give rise to positive (side) effects that have nothing to do with the project goal/objective(s), and that it might be beneficial for all stakeholders if these effects are supported, secured and documented.
<p><u>Chain of causality</u></p>	<p>A chain of causality sheds light on how a succession of consequences arises in reality as the result of an event (primarily in terms of a logical sequence but also over time). Chains of causality are a very broad <u>simplification of the real situation</u>, which is generally too complex to adequately record and present, because the reciprocal influences which the various actors exert on each other lead to numerous cross and backward linkages, forming a complexity of "cause-and-effect correlations". In such a complex set of cause-and-effect correlations, chains of causality highlight elements that appear important to the observer.</p> <p>Chains of causality are drawn up during the planning phase (What must we do in order to achieve this or that?) and they are employed in observation after an intervention (What effect did the intervention have?).</p> <p>All plans that set out goals, objectives and measures are based on an <u>intervention strategy</u>: particular activities lead to particular changes. At the planning stage, these are hypotheses on effects that explicitly or implicitly combine to form a chain of causality. As planning is solely concerned with hypotheses about chains of causality, we must constantly examine which changes have actually taken place, and if necessary modify our plans accordingly (this underscores the <u>importance of monitoring, evaluation, and outcome and impact assessment</u>).</p>

<p><u>Outcome and impact assessment</u></p>	<p>The monitoring and documentation of effects, both outcomes and impacts, i.e. their assessment in monitoring and evaluation activities, is important for <u>steering development projects</u> and for fulfilling <u>accountability obligations</u> towards donors, the general public and the target groups.</p> <p>Furthermore, we are interested in the lessons learned by the partner organisation as a basis for effective development work in future; unsatisfactory project results can sometimes make an important contribution in this respect. We are therefore also most interested in hearing about project effects that did not materialise or which were negative – this is the only way we, too, will have a chance to learn from this experience.</p> <p><u>There are two distinct approaches to outcome and impact assessment</u>: one is oriented to objectives and based on a comparison of the planned and actual situations; the other is oriented to change and has been referred to as "open effects assessment".</p> <p><u>Objectives-oriented outcome and impact assessment</u>: We start with the question: "Are the set objectives being achieved?" This corresponds to a comparison of the planned and actual situation. In a second step we ask about which additional effects have occurred beyond this.</p> <p><u>Change-oriented outcome and impact assessment</u>: We start by asking about the changes in the living conditions of the population and then proceed to consider which of these changes were caused by the project and which are the result of other factors. Only then do we pose the question about how far the planned objectives of the project or programme have been achieved.</p> <p>The procedure involving the comparison of the planned and actual situation is simpler as it has a fixed framework (the plan). Using indicators we can examine to what extent the objectives have been achieved. The danger is that the second step is not adequately considered and that the effects assessment is too narrowly focused on the comparison of the planned and actual situation.</p> <p>MISEREOR therefore puts the case for change-oriented outcome and impact assessment, especially in evaluations. At the same time, we understand that this can place excessive demands on monitoring resources, so that that objectives-oriented outcome and impact assessment may be the more expedient option. However, if the latter procedure is adopted, it is necessary to ensure that an "open view towards effects" is maintained, so that unplanned effects are also registered.</p>
<p><u>Goal</u></p>	<p>Goals and objectives are the intended effects as set out in the planning.</p> <p>The goal is the overarching objective which the project aims to help achieve. It is an objective that the organisation planning the project normally cannot achieve on its own but to which it can make a plausible contribution in the form of "indirect effects" (which we at MISEREOR call "impacts"), i.e. consequences of the "direct effects" ("outcomes" in our terminology). In most cases goals are relatively complex social development objectives that are embodied in the organisation's vision and which have provided the initial impetus for the project (what ultimately is the purpose?).</p> <p>In a project designed to promote self-help organisations in a particular region, the goal could be:</p> <p>Civil society in region X increasingly shapes its environment according to democratic principles. In so doing, previously disadvantaged groups take an active role and are listened to (landless groups, women smallholders, indigenous population groups).</p>
<p><u>Objective</u></p> <p><u>Intermediate objective</u></p>	<p>The "effects directly aimed for" in the project, i.e. the "outcomes" in our terminology, are described in one or several <u>project objectives</u>.</p> <p>In addition, <u>intermediate objectives</u> that are necessary as logical or sequential project steps on the path towards the project objective may be formulated.</p>

	<p>Objectives can, for example, describe the following aspects of the desired situation:</p> <ul style="list-style-type: none"> ○ improved living conditions for the target population, ○ greater capacity on the part of the target population to take decisions self-determinedly, ○ greater capacity on the part of the target population to make optimal use of the opportunities available to them in their society, ○ improved framework conditions ensuring increased scope of action for the target population, ○ improved access for the target population to the social infrastructure. <p>The formulation of objectives generally takes the form of a qualitative, precisely worded description of a desired status in the future. The project partner can decide whether the objectives should include quantitative information on the new status from the outset or whether this should be undertaken separately. The project objective(s) and, if appropriate, the intermediate objectives must be formulated in such a way that they can be achieved within the project funding period through the efforts of the parties involved in implementation.</p> <p>It is important that the objectives do not describe the planned measures, but what is to be achieved through these measures. It may be helpful when formulating the project objective(s) to ask: What is to be achieved in concrete terms at the end of the funding period? What positive changes must be observable at the end of the funding period in order that the project can be described as successful? When formulating such objectives, it is often helpful to start with the words: "In 20xx (= by the end of the funding period) ..."</p> <p>In a project designed to promote self-help organisations in a particular region, the project objective and intermediate objectives could be:</p> <p>Project objective:</p> <p>In 20 villages in the project region, landless groups meet regularly at their own initiative and undertake self-help activities that they themselves have defined.</p> <p>Intermediate objectives:</p> <p>By the end of the first year, the ten landless groups existing in the project region have consolidated within their individual groups and work to raise awareness among other landless people across the entire region.</p> <p>By the end of the second year, new initiatives of landless groups are established in 40 villages in the project region.</p> <p>By the end of the third year, ten old and ten new groups of landless people have set out their objectives in strategic plans.</p>
<p>Measures:</p> <ul style="list-style-type: none"> - <u>planned measures</u> - <u>implemented measures</u> 	<p>The activities that are to be implemented.</p> <p>The activities/actions actually undertaken by the project using technical, material and financial resources, and which take place "inside" the project. These generally differ to a greater or lesser extent from the planned measures, as modifications to the original plan are as a rule necessary during implementation.</p>
<p><u>Outputs</u></p>	<p>Outputs are those things a project actually produces and makes available within the project environment, e.g. services, such as advisory or extension services or accessible loan systems, and goods, such as seed.</p> <p>Outputs are not effects of the project. Effects emerge beyond the level of outputs as a result of how these outputs are used and how the situation of those who use the outputs changes.</p> <p>Outputs are often similar to activities, but extend beyond the project. They are handed over to others to use.</p>

<p><u>Use of outputs or products that the project makes available</u></p>	<p>When project outputs are being used, this use constitutes the first direct effects, i.e. outcomes, of a project. Are the services offered by the project "used", and if so, in what form? This question is of great importance, for example in all training and advisory work (and the majority of development projects actually include such a component): Participation in a training course is in itself of no great significance, as the purpose here is to effect a change in the participants – they should put the course content into practice in their life contexts (possibly in adapted form).</p> <p>Sometimes, the "use" represents an intermediate objective of the project; sometimes it is only one stage on the path towards an intermediate objective and is not explicitly mentioned in the planning document.</p>
<p><u>Indicators</u></p>	<p>Indicators are variables that can serve to identify quantitative or qualitative changes and processes within the scope of the project and the project setting. These variables are generally stipulated in the plans, and then observed/measured and analysed during project implementation at predetermined and regular intervals.</p> <p>Indicators can be set for all project planning levels: at the goals/objectives level, if these goals/objectives are not directly observable/measurable; at the activities level and for the project context (framework conditions, assumptions, risks). Indicators at the goals/objectives level and context-related indicators are especially important for effects/outcome and impact assessment. They can be an important monitoring instrument in that they indicate whether the project is on track to achieve the agreed objectives.</p> <p>As all planning handbooks contain detailed descriptions on the form indicators should take, we do not need to explain this here. It is important that the results of the indicators are transparent for outsiders.</p>
<p><u>Extended monitoring fields</u></p>	<p>These are areas that project staff should observe "with an open view" in the project itself and in the immediate project setting as part of their monitoring activities during project implementation. It is possible that effects emerge here that could not be precisely specified in advance, for example</p> <ul style="list-style-type: none"> o possible effects beyond the goal(s) and objective(s) o changes in the project context, possible risks for the project o surprising and unexpected effects. <p>It follows that these effects cannot be accurately measured using indicators, which presuppose clearer expectations regarding the effects to be anticipated. Whereas an indicator can be compared to a car headlight that illuminates a small patch of road, an extended monitoring field is rather like a blinking warning light that calls for more attention to be paid along a particular stretch of road. In contrast to indicators, the initial situation in the extended monitoring fields cannot be recorded very precisely, as their scope is too broad.</p> <p>In a project that promotes sustainable agriculture in small-scale farming, extended monitoring fields can be:</p> <ul style="list-style-type: none"> - the use of additional income (for schooling, alcohol l...??) - the employment situation of the landless: Is there an effect here? - the work load of women engaged in small-scale farming (there is a danger that they have to perform too much extra work in addition to their existing productive and reproductive activities) - cultivation methods in neighbouring villages: Are there any copycat effects?

<p><u>Local contributions</u></p>	<p>MISEREOR is often unable to take into account the contributions made by the target groups and implementing organisations as presented in funding requests and financial reporting. In the Financing Plan, MISEREOR can accept only the following as local contributions:</p> <ul style="list-style-type: none"> ○ monetary transactions, i.e. transactions involving a flow of money; Putting a value on local contributions in kind or in another form is always problematic, and they can therefore not be included by MISEREOR in the Financing Plan; ○ costs incurred and income generated directly by the project partner and which can thus be included in the partner's accounts; Costs incurred by the target group cannot be booked in the project partner's accounts and therefore cannot be recognised either by an auditor or MISEREOR; ○ bookkeeping operations effected during the project funding period; For instance, items of equipment/furniture purchased in previous periods cannot be recognised as local contributions in the Financing Plan as they do not generate a bookkeeping operation in the project funding period; ○ local contributions towards specific costs can be recognised only if these costs are included in the approved Cost Plan; If a local contribution is made towards costs that are outside the terms of the approval, MISEREOR cannot recognise it in the Statements of Receipts and Payments. <p>All other forms of local contributions (e.g. by the target groups: voluntary labour/unpaid work on construction measures, voluntary work by promoters, local self-financing of travel expenses to attend a training course, provision of free food etc.; or by the legal holder of the project, for example if it provides premises and equipment for the project work) cannot be considered in the Financing Plan, but are nevertheless very important for a project as they increase the available resources and the 'ownership' of the people involved.</p> <p>We therefore ask you to inform us about these forms of local inputs separately, outside the Cost and Financing Plan: When submitting a project application, please include a separate comment about the Cost and Financing Plan; when submitting a Statement of Receipts and Payments, i.e. a financial report, please include this information in an annex. In both cases, the approximate monetary value of these non-monetary inputs or contributions in kind can be estimated.</p>
<p><u>Achievement of objectives</u></p>	<p>The achievement of the agreed objectives is naturally of great importance. However, it is not the only criterion that should be applied to assess a project, as there are usually too many effects that were not considered in the planning and which go beyond the intended effects formulated in the objectives. It is therefore important in each case to keep an eye on any unintended, unexpected and possibly negative consequences that may have occurred as a result of the activities.</p> <p>A project may not achieve its set objective but nevertheless bring about other significant changes, such that the project can be considered to have made a good developmental contribution. On the other hand, a project can achieve its objective but nevertheless be considered to have failed due to the number of negative (side) effects.</p>