

Tool

Evaluation and Design of Competitive Agricultural Technology Funds (CATF)

Area of Application	Preparation of decisions on the design of a Competitive Agricultural Technology Fund (CATF)
Objective	Analysis of the components of a CATF, relating objectives and constraints of research funding to the design of the fund. Facilitation of communication about the design process and documentation of the CATF design.

1 Context

The introduction of a competitive funding mechanism means a considerable institutional change. Whether the introduction of a CATF really leads to development benefits depends on a number of conditions such as the number of potential applicants to the fund, the experience and ability of rural society to supervise and enforce contract arrangements and the legal framework. Institutionalising a CATF takes time as all participants in the institutional arrangement have to learn to perform their role adequately.

CATF have to be designed carefully, balancing the objectives and taking into account the framework conditions.

2 Description of the tool

This tool allows to relate objectives and constraints to the design of a funding mechanisms for research, extension or technology development. The steps are:

1. Select and state the objectives of the CATF, setting priorities and identifying potential goal conflicts
2. Assess conditions of context for the introduction of a CATF. This is basically a problem analysis and includes an assessment of the severity of constraints. Together with step 1, it allows to select objectives in accordance with the conditions of context.
3. Establish the (actual or planned) design of a CATF by determining the character of a number of design variables. Each variable can be classified in a range between a strongly competitive or a weakly competitive specification of the design. Design variables can be related to the objectives of the CATF and the conditions of context thus making sure that the design corresponds to the preceding analyses.
4. Document, assess and monitor the design of the CATF by noting problems generated by a particular design variable and checking the inner consistency of the design. As the design will always be contested, this step also allows to create transparency concerning the pros and cons of a particular design decision.

5. This step is an addition to step 3. Here, the CATF design is differentiated according to the steps in the procedure by which proposals are selected. This helps to design the selection procedure. Again, the principle is to check through the list of design variables.

In each step, a table needs to be filled in. The main document is table 4, which contains the information of the CATF design.

Step 1 **Select and state the objectives of the CATF, setting priorities and identifying potential goal conflicts**

Table 1. Statement and analysis of CATF objectives

No.	Objectives of CATF schemes (O) Fund-related objectives (F)	Priority objective (tick or rank)	Assess potential goal conflicts (with objective number...)
O-1	Attainment of public policy development objectives (productivity, poverty reduction, etc.)		O-6, F-2
O-2	Stimulation of particular types of research (participatory, multi-disciplinary etc.)		O-3, F-1, F-2
O-3	Mobilisation of idle resources and better use of infrastructure (cost effectiveness of research investment)		O-2, O-4, O-6, O-7, F-2
O-4	High quality of proposals selected and excellence of the research activities implemented	 (to be completed)
O-5	Performance incentive by holding grantees accountable		
O-6	Greater control (ownership) of development actors / decentralised decision-making		
O-7	Flexibility to react to changing policy objectives / needs		
F-1	Transaction costs of applicants and CATF management not exceeding 5 % (10%) of funding volume		
F-2	Full subscription of CATF (money spent)		

Step 2 Assess the relevant conditions for the introduction of a CATF

This is basically a problem analysis and includes an assessment of the severity of constraints. Together with step 1, it allows to select objectives in accordance with the conditions of context.

Table 2 - Analysis of context: Relevant conditions for the attainment of CATF objectives

	Relevant conditions of context (and preconditions)	Favourable conditions for using CATF	Problematic conditions for using CATF	Objectives affected by problematic conditions of context:	Severity of constraint
C-1	Number of potential applicants (size of the proposal "market")	High	Low	O-2, O-4, O-5, F-2	
C-2	Differences in the technical and financial capacity of applicants (unevenness of the playing field)	Uniform group	Many differences (to be completed)	
C-3	Capacity to deliver the expected results	High	Low		
C-4	Existence of funding alternatives	Few	Many		
C-5	Experience with proposal writing and project management	Good	None		
C-6	Existence of idle capacity, possibility to mobilise resources, capacity to cofinance	Good	None		
C-7	Experience and ability of rural society to supervise and enforce contract arrangements	Good	Limited		

Step 3 Select and state the design criteria of the CATF

Table 3 - CATF design (a): Relating objectives and constraints to design criteria

Design Criteria of the CATF	← Extremes in the range of design possibilities →			
	high competition and sharp selection		restricted competition	
		Potential solution for - problem / objective		Potential solution for - problem condition - objective
Eligibility of applicants	Open to everybody / international	C-1, C-4, C-6 O-4, O-5, F-2	Restricted access / local	C-7 O-6
Preselection of applicants	None		Applicants need to register	C-2, C-7 F-1
Fund Objectives	General and open	O-7, F-2	specified in detail	C-3, C-5 O-1
Fund Activities (Categories)	Not specified		clearly specified in one or several funding lines w/ differing conditions	C-2, C-3, C-5, C-7 O-1, O-2
Duration and size of projects	Small and short-term		(few) big projects	C-4, C-7 F-2, O-3
Partnerships for implementing the project	Not specified		collaborative arrangements required	C-7 O-1, O-6
Funded items (line items in budget)	Full funding	C-1, C-2, C-4, C-6	Partial funding (high co-funding requirements)	
Approval criteria incl. Weights	Many and highly demanding	O-4	Few, less demanding	F-2
Differentiation of review process (stages)	One decision stage	F-1	several (different) decision stages	C-7 O-1, O-6
Requirements for quality of proposals	High	O-4	minimal (applicants are helped)	C-3, C-4, C-5

Step 4 Assessment of the design criteria of the CATF

Table 4 – CATF design (b): Synoptic table aiding the design process of CATF

Design Criteria of the CATF <i>(see table 3)</i>	Current stipulations in the respective design criterion <i>(cf. table 3)</i>	Relevant conditions of context <i>(see table 2)</i>	<ul style="list-style-type: none"> • Assessment of likely (+) strengths / benefits (-) weaknesses / risks of the CATF design • Result of consistency check 	Documentation of the design process	
				Decision taken (by whom, date, on which grounds),	Remaining options
Eligibility of applicants					
Fund Objectives					
Fund Activities (Categories)					
Duration and size of projects					
Partnerships for implementing the project					
Funded items (budget lines)					
Approval criteria incl. weights					
Stages of the review process					
Requirements for proposal quality					
Possibility to obtain preparation grant					

Step 5 Design of the stages in the CATF review process

Table 5 - CATF design (c): Tool aiding the design of the review process stages

Design Criteria of the CATF	Step 1 of review process (e.g. pre-concept note)	Step 2 of review process (e.g. concept note)	Step 3 of review process (full proposal)
Eligibility of applicants			
Degree of competition			
Degree of detail in the description of fund objectives			
Possibility to obtain a preparation grant			
Possibility to get assistance for proposal			
Requirements for quality of proposals			
Approval criteria including weights			
Review procedure (independent peer review ?)			