



**USAID**  
FROM THE AMERICAN PEOPLE

# **Reintroducing Cost Benefit and Cost Effectiveness Analysis in USAID: Feed the Future Programs**

**Juan A. B. Belt**

**Senior Economic Advisor**

**Economic Growth Office**

**US Agency for International Development  
(USAID)**



## Related Trends

- Improving project design: CBA in August PD course
- Greater emphasis on M&E
- Reintroducing Cost Benefit & Cost Effectiveness Analysis
- Training:
  - CBA & CEA Training at one-month long course at Duke about 60 trained in 2010 & 2011
  - Course planned for 2012
  - Development of “community of practice”
  - Additional courses planned for different backstops: CBA & CEA require multidisciplinary team effort
  - Distance education?
- Feed the Future



# CBA & CEA of Feed the Future

<b>December 31, 2011</b>	<b>June 30, 2012</b>	<b>December 30, 2012</b>
Bangladesh	Ethiopia	Cambodia
Ghana	Honduras	Guatemala
Haiti	Kenya	Liberia
Rwanda	Mali	Malawi
Tanzania		Mozambique
Uganda		Nepal
		Senegal
		South Sudan
		Tajikistan
		Zambia



## How we Plan to do it

- Form teams USAID/W & missions
- Teams include economists & other backstops
- All teams will include DLIs
- Supplement with consultants, if appropriate
- Provide training to DC-based officers
- Workshops in field each with participants from 3-4 missions to discuss methodology & data needs
- About 2 TDYs to each mission
- Final output (next page)



# Project Analysis: Should Include Complementary Types of Analysis

R  
I  
S  
K  
  
A  
N  
A  
L  
Y  
S  
I  
S

Financial Analysis	--are there incentives for participation? --what are the long term implications to the government in terms of O&M?
Economic Analysis (CBA to some)	--is this a good use of scarce resources? --what are the net benefits to society?
Beneficiary Analysis	--who benefits by sector, income level, gender, etc.? --how much do they benefit?
Institutional Analysis	--are the institutions involved able to implement? --do they have adequate staff, financial & procurement procedures
Environmental Analysis	--are negative effects being corrected, mitigated? --are the environmental costs included in CBA