Financing Agricultural Research: A Sourcebook

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Chapter 10
How to Mobilize Donor Funds

Marian Fuchs-Carsch

Introduction

This is a practical "how to" chapter designed to help agricultural research leaders obtain external funds. It assumes that the NARS already has an adequately trained staff whose salaries are paid by the national treasury. But it also assumes that the NARS lack the funds needed to undertake a vibrant research program—one whose results would help farmers improve their output and family incomes and help decision makers set policies that improve overall economic returns to agriculture.

The rest of this chapter is divided into five sections. The first provides background on donors. It identifies different sources of external funding and provides an overview of the main funding agencies. The second discusses aspects of making contact with donors. Advice on preliminary donor relations is followed by a discussion of the types of external aid normally available for NARS research. The third section provides detailed suggestions on how to design projects and write them up for submission to donors. The fourth is about maintaining good donor relations. A discussion of the "strings" attached to some grants is followed by suggestions on how to maintain good relations once a grant has been received. The final section presents some concluding remarks.

Background on Donors

Where does the money come from?

Nearly all overseas funding for agricultural research in developing countries comes from public sources. While private multinational corporations undertake research on a range of tropical commodities—pineapples, bananas, and coffee, for example—this is done to support the commercial export side of production. Research aimed specifically at subsistence agriculture and poor

farm families with small holdings is rarely if ever profitable for multinationals and other private companies.

Thus, it is the taxes paid by millions of people all over the world that are the ultimate source of external funding for agricultural research in developing countries. It is surely one of life's ironies that people who have never visited a developing country or even heard the name of its capital city often provide the funds that lead NARS scientists to develop a better-yielding maize plant, a more energy-efficient water pump, a new way of raising fish in rice paddies.

Taxpayers in industrialized nations are also voters. They elect the politicians who make the decisions to spend some of their national budgets on overseas R&D. If those voters are angry with their politicians, because their own incomes are declining, for example, they will put pressure on the politicians to spend less on projects overseas, and more at home. When parents worry about their own jobs and those of their children, they do not feel they can spare money for families in poorer countries. In this context, it is important to recognize that today it is harder to mobilize resources than it used to be. This is true for research systems in industrialized countries, too. Scientists everywhere are learning that they cannot expect their institutes to automatically provide them with research funds and that they need to write proposals to secure outside funding for specific research activities.

How funds are channeled

In general, a NARS director or scientist will need to go through a government ministry to get external funding. In most developing countries, the government has designated a single ministry—of external affairs or cooperation, for example—to coordinate the receipt of donor funds. This ministry accumulates the requests of all government agencies and, guided by national priorities, negotiates with donors on the terms and allocation of funds.

The importance of having good relations with officials in the ministry cannot be overstressed. There may be some opportunity for direct negotiations with donors, especially foundations and nongovernmental agencies, and with those government agencies that maintain national offices. But in most cases, agricultural research is competing with many other sectors (transport, energy, education, and environment, for example) to get to the top of the nation's wish list.

The rest of this section provides information about the various donor agencies through which the taxes paid by developed-country workers are channeled to developing countries. Such information can help NARS directors and their ministries of cooperation to address the right donor agency.

Multilateral donors

Multilateral donors are ones that draw their funding from many countries. Most are development banks or UN agencies.

The biggest of the development banks is the World Bank. Based in Washington DC, it has offices in many of the larger countries to which it lends. The World Bank, sometimes known as the International Bank for Reconstruction and Development (IBRD), provides loans on various terms. To countries with low per capita income, it provides "soft" loans from a subagency called the International Development Association (IDA). These loans have low rates of interest, grace periods (the initial period during which no interest is due), and long repayment periods. In some instances, though rarely, the World Bank provides grants.

In 1994 the World Bank instituted a US$500 million program specifically offering soft loans for agricultural research in developing countries. It was made a loan program to ensure that recipient governments recognize that agricultural research yields economic returns as attractive as those from the infrastructure and energy projects for which governments usually request loans. It is important that NARS leaders support the Bank's intentions by making the same case to their ministries of cooperation or external affairs.

The lending of the World Bank is supplemented by funding from the regional development banks. The African Development Bank (AfDB), based in Abidjan, Côte d'Ivoire, provides development loans to all the countries of continental Africa, including those that are sometimes seen as part of the so-called West Asia and North Africa region.

Countries in Latin America, from Mexico to Argentina, plus the Caribbean nations, are eligible to receive funds from the Inter-American Development Bank (IDB). Although IDB is based in Washington DC, it has branch offices in all major recipient countries.

The Asian Development Bank (ADB) has its headquarters in Manila. It provides financial support for countries from Afghanistan to the South Pacific islands. ADB also provides financing for new countries in central Asia, such as Tajikistan and Turkmenistan.

The newest regional development bank is the Paris-based European Bank for Reconstruction and Development. It was set up to provide financing for the newly emerging countries of Eastern Europe.

There are a number of multilateral sources of funding for the Middle East region. The Islamic Development Bank supports Arab countries and those with Islamic majorities, such as Pakistan and Indonesia. The Arab Fund for Economic and Social Development, however, supports only countries whose citizens are Arab.

While the development banks are divided by region, the **United Nations agencies** are divided by function. There are specialized agencies for children (UNICEF), science and culture (UNESCO), labor (ILO), health (WHO), environment (UNEP), and many other areas. The Food and Agriculture Organization (FAO), based in Rome, supports agricultural development, including research. The specialized UN development agencies, however, are not directly funded; they receive their budgets from their parent agency, the United Nations Development Program (UNDP). UNDP makes some direct grants itself and supervises grant allocations to development projects from specialized

funds including the new, large Global Environment Fund, the loan component of which is administered by the World Bank.

Multilateral donors take in funding contributions from various countries. In recent years, several countries, most notably the USA, have cut their supply of funds to multilateral agencies, saying that they are inefficient and wasteful. Management changes at several UN agencies and several development banks have started to persuade industrialized countries that they should once again start funding multilateral organizations.

There are UN offices in most developing countries, and NARS leaders are encouraged to visit these. They are staffed by international civil servants from both South and North. Overseas UN offices are headed by a resident representative, whose parent organization is UNDP. In the UN buildings, there are FAO offices, which can provide valuable technical information and contacts, and possibly financial support.

The European Union (EU) is one of several **other sources** of multilateral funding for international development. It obtains its funds from its member countries and provides grants and loans throughout the developing world through different directorates. One directorate focuses mainly on the countries of Africa, the Caribbean, and the Pacific, under a set of rules known as the Lomé Convention. Other countries receive funds under a less centralized system. EU funding for agricultural research is increasing, and is definitely worth seeking. But the bureaucracy is strong, and NARS need patience in pursuing these funds.

Middle East oil money, coupled with sources from the industrialized countries, has been channeled to development and research projects throughout the world's poorer nations through the International Fund for Agricultural Development (IFAD), based in Rome. IFAD has a special interest in poverty alleviation. Since the price of oil has declined, IFAD does not have the resources it once did. However, since it is exclusively focused on agricultural development, it is worth learning about IFAD's work in any given country.

Bilateral donors

Bilateral donors are those with a single source of funding. Most of them are individual national governments that offer grants and loans to other governments to undertake development or research activities. Nearly all the industrialized countries have bilateral programs or agencies that support agricultural development in poorer nations. Unlike most multilateral donors, bilateral donors usually give grants for agricultural research.

These donors are quite different from each other when it comes to funding levels, requirements, and areas of interest. Some donors prefer to work in certain countries or regions, perhaps for reasons related to their colonial past. Others have special subject interests. Donor interests, needs, and budgets are subject to rapid change, as has been noted elsewhere in this chapter. Box 1 provides a very brief introduction to bilateral agencies.

Box 1. Major Bilateral Donors and Their Principal Interests

Australia, via AusAID. Particular interest in Asia, especially relatively nearby countries such as Papua New Guinea and Indonesia. One of the few countries to increase its funding for agricultural research, thanks to a vibrant public awareness program targeted on Australian voters.

Belgium, via BADC. Limited funds, but steady supporter, especially in former colonies. Interests include both livestock and crop projects.

Canada, via CIDA. Consistent supporter of agricultural research and important in many countries. Strong social and environmental concerns. Canada also supports a public corporation called the International Development Research Centre (IDRC), which provides small grants in various areas of research for developing countries.

Denmark, via DANIDA. Special interests include dairy farming and natural resources. Operates in a limited number of countries. Consistent donor once committed. Funds have increased in recent years.

France. Funding increasingly channeled through technical agencies such as CIRAD and CEMAGREF. Particular interest in the poorer parts of francophone West Africa, although growing linkages with agricultural research in Asia and Latin America.

Germany. Funds allocated through BMZ, the Ministry for Economic Cooperation. Technical agencies provide substantive review: GTZ in international development; ATSAF in research appraisal and information; DSE in training, dialogue and communication; KfW in capital projects. Germany funds a wide range of agricultural research throughout the developing world.

Japan, via JICA. Prefers to support research in Asian agriculture, although support is increasingly being given to projects in other parts of the developing world. Despite recent financial constraints within the country, the level of funding support should continue to increase.

Netherlands, via DGIS. Consistent donor, with a strong interest in natural resources and social issues. Has a "spearhead" program in research, and supports countries in all parts of the developing world. Recently decentralized much project decision-making, giving authority to officers based in embassies.

Norway, via NORAD. Strong interest in social issues and the environment. Small grants approved locally by NORAD officials based at Norwegian embassies.

Sweden, via SIDA. Support for agricultural research used to come through SAREC, a separate agency. SAREC has been folded into SIDA, one manifestation of recent Swedish budget cuts. Strong interest in Africa and in the poorest of poor beneficiaries.

Switzerland, via SDC. Special interest in mountain agriculture, livestock, and training.

United Kingdom, via ODA. Provides funds throughout the world, for a wide variety of agricultural activities. Increasing emphasis on natural resource management.

United States, via USAID. Support for development and research is currently highly unpopular with politicians in the USA. Future of USAID is highly uncertain. US Department of Agriculture (USDA) has small overseas program.

Private sources: foundations and NGOs

A number of foundations in the United States provide grants for agricultural research. These include the Ford, Rockefeller, Kellogg, and MacArthur

Foundations. These organizations were started with funds from corporations or wealthy individuals. As they have far fewer employees than other donors, they usually cover fewer countries and types of projects. They are a good source of quick funding in relatively small amounts—for instance, for sending scientists to international conferences or for specialized training. But they also provide grants for longer-term projects. Information on these groups can be obtained from USAID offices or US Information Offices which can be found in the capital cities of most developing countries.

There are similar foundations in Japan, in particular those started by large firms such as Toyota, Mitsubishi, and Honda. More about these foundations can be learned from the Japanese embassy in a given country.

Germany has a number of "Stiftungen" supported by its three main political parties. These were more important sources of funding in the past than today. Information on these foundations can be obtained from local German embassies or offices of the Goethe Institute.

Several large nongovernmental organizations (NGOs) operate in the agricultural sector and may be a source of funds for research. Some are international, like Save the Children, CARE, Bread for the World, World Vision, Oxfam, and Christian Aid. Some are national, such as the Grameen Bank and Proshika in Bangladesh.

Each NGO has its own particular interests, and NARS leaders will need to make a "research project" of getting to know their local NGO community. This is likely to be a useful and interesting undertaking, since NGOs have much to offer in addition to being a potential funding source. They often have technical and managerial know-how and international experience to share and transfer. They can also provide important contacts around the world.

Who controls the donations?

Most of the donor agencies described above have policy-setting boards and staff who program the funds (i.e., justify the allocations). Typically, the staff of donor agencies prepare proposals which they then submit to their boards for approval. In the case of bilateral country donors, loan and grant approvals may be made by politicians or by senior civil servants who may be political appointees.

What motivates donor staff?

Although all donor agencies employ some technical specialists, most decision making at the staff level is by generalists. When approaching donor agencies for funding, it is useful to keep in mind what motivates agency staff. Here are some of the more common motives:

- spend taxpayers' money wisely by identifying responsible fund recipients to avoid waste and corruption;

- achieve annual funding targets (i.e., move the money as quickly and efficiently as possible);
- ensure that fund recipients are spending the money as quickly as originally intended and for agreed-on purposes;
- allocate the money to activities that show results and help the largest number of people and/or the neediest.

Donor agencies will also want to address their special interests. As noted above, each has its own preferences. The Scandinavian donors, for instance, all tend to have a special interest in projects with a strong social or environmental approach. The US and UK like projects that emphasize the role of the private sector. IFAD is most interested when the very poorest segment of the population will benefit.

Donors need to be sure that their projects are national priorities. Their main source of information will be the staff of the ministry of planning, cooperation, or external affairs. But they will also want to hear the views of technical people, like NARS leaders. They will likely solicit the views of beneficiaries, either individually or through NGOs and other grassroots groups, to ensure that they, too, are enthusiastic about what is planned.

Most donors like to see their funds leverage greater funds from another source. All want to avoid supporting those projects that will collapse once the funds have been expended. The hope is that once donor support has shown the value of a particular activity or approach, the host country will "institutionalize" the project by putting its operational costs into the national budget. Failing that, donors like to see other donors interested in funding follow-on phases. Support from one donor, therefore, often begets additional funds from others.

Making Contact with Donors

Getting to know donors

Even though NARS leaders may need to go through their ministry of cooperation when applying for donor funds, it is most useful for them to develop good relations with as many donor agency representatives as possible. This section provides some suggestions.

The NARS leader should initiate the relationship with a visit to the donor's office. The purpose should be to extend an invitation to the donor to visit NARS projects so as to learn more about the research programs and priorities. The NARS director may wish to give an assistant special donor-relations assignments. For example:

- establish and regularly update a donor mailing list;
- send frequent pieces of news, including success stories and publications lists;

- set up a donor library containing brochures, notes about meetings, correspondence from donors, and project proposals;
- prepare promotional materials, such as brochures, fact sheets, slide presentations, and videos;
- invite donors to seminars, farmers' days, professional meetings, and social events.

It is important to establish a relationship with the donor before making any financial or other requests. Box 2 provides advice on making presentations to donors.

Box 2. Tips on Making Presentations to Donors

- Take a colleague along to give the audience a chance to see more than one NARS representative, and to balance the presentation. A male director could be accompanied by a female scientist, or an older director by a younger colleague. Both should be involved in the presentation and/or the subsequent discussion.
- Nothing is more infectious than enthusiasm. Short sentences, delivered quickly, convey an urgent message. So do people who lean forward and look their listeners in the eye.
- People remember real life examples better than abstract ideas. Donors are interested in the impact of research: who is better off as a result of NARS research?
- Referring to other researchers and to key government officials in a presentation will give the donor confidence that a NARS leader is well-regarded and enjoys the confidence of senior government officials.
- It is usually safer not to sing one's own praises, but to let the facts speak for themselves. A NARS leader can discuss staff qualifications, the number of scientific papers published, the number of farmers who have been helped, the number of grants already received, and the quality of the equipment on hand. But sentences like "we do thorough, careful research" are to be avoided. Let the audience deduce the quality of the research organization's work from the words of its leaders, what its clients say, what they read, and what they see when they visit the field.

Less donor money and more competitors

Agriculture is not a popular subject with donors these days. Its heyday was in the 1960s, when the specter of famine mobilized large sums of money for agricultural research. There is now a feeling that the world can grow enough food to feed today's population, and even tomorrow's. This argument holds that the problem is one of economic policies and distribution, not of lack of knowledge about how to grow enough food.

In many countries, agriculture declines in importance as development speeds up. In countries where per capita income is rising sharply, including Malaysia, Thailand, China, and many Latin American nations, farm families are leaving the rural areas to seek an improved life in the cities where they hope to work in industries or services. This phenomenon encourages donors to focus on facilitating the transition, rather than reversing the trend.

Also, in the post-Cold War period, the need to mitigate the effects of an unprecedented number of international disasters, both natural and of human making, have absorbed huge sums of donor funds originally earmarked for research or development. Feeding and otherwise taking care of the refugees of Angola, Liberia, Rwanda, Somalia, Yugoslavia, among many others, has taken billions of dollars for one-time relief efforts.

So there are fewer funds for research and development and an increasing number of demands. Agriculture must now compete with other sectors and socioeconomic issues, many of which have attracted worldwide interest through global events like the Earth and Social Summits.

Packaging

Everyone in business knows that packaging sells the product. Toothpaste is a useful item, but it is the tube that delivers it to the toothbrush. A product like jam can be sold for a higher profit margin if it is in an elegant jar with a fancy picture on the label.

Agricultural scientists, too, can package their activities. It is often a matter of presentation. For example, imagine a project that seeks external funding to do research to increase the productivity of fruit trees in a given country. Here are some of the ways that research and its impacts can be packaged for different readers:

- For a donor interested in the environment, stress that the trees, if introduced in the upper reaches of a watershed, will help prevent erosion and aid soil fertility.
- For a donor interested in economic growth, explain how the trees will provide long-term income for relatively low labor inputs, freeing up family labor for other, possibly higher-income activities.
- For a donor interested in nutrition, show how fruit is an ideal source of vitamins in a high-starch, low-protein diet.
- For a donor with social interests, explain how tending fruit trees is an occupation that allows women and children to participate in the economic life of the family.
- For a donor interested in capacity building, show how support for the project will help to build the horticultural research capacity of the NARS.

Endorsements

In television advertisements, products are often sold by showing their use by famous and attractive people. NARS can make their research attractive by getting written endorsements from planning division personnel, senior policy makers, politicians and/or prominent scientists. Such endorsements may be in the form of quotes in a speech or proposal, or in separate letters or other communications directly with the donor.

Endorsements from beneficiaries may also help—if they are the right beneficiaries. In the above example, a visit by a delegation of rich fruit farmers would not be a good idea, because donors are not interested in their funds going to segments of the community that are already favored. But a petition signed by an association of small-orchard owners, requesting the donor to support this project because of the benefits it would bring to the membership, would be useful. It would help the donor to decide between this proposal and a competing one that did not have such an endorsement.

Requests for proposals

It should be remembered that both sides are searching in the donor relations business. The donor is looking for a good project or organization in which to invest; the organization or project is looking for a source of funds. The paragraphs above gave suggestions as to how the NARS leader could initiate the relationship. Sometimes things work the other way round.

When the donor agency knows which kinds of projects it wants to fund, it may issue a request for proposals (RFP). In this instance, the donor is looking for as many project ideas as possible, in order to choose the best. A prospective recipient group must bear the cost of preparing the proposal, knowing that others will also be doing the same. There are not many RFPs for agricultural research, but there are some competition-based sources, such as the ODA's Holdback Facility and the EU's Technical Cooperation Program. NARS leaders may wish to explore these by contacting the local British Embassy or European Community Office.

Sole-source proposals

Money should not be the subject of early interaction with a donor agency. However, by the second or third meeting, it is quite appropriate for a NARS leader or scientist to ask if the donor would consider receipt of a written proposal, and if so, when. As noted later, each donor has a funding and approval cycle that needs to be taken into account. If the donor is willing to consider a proposal at a given time, this constitutes an invitation to prepare a sole-source proposal, i.e., a proposal to undertake something that cannot be equally well done by others.

What kinds of support can a NARS ask for?

Donors do not only make loans and grants. They may also pay for services, i.e., contract with a NARS to provide a specific output. They may also provide equipment, training, or personnel. In a sole-source proposal, it might be wise not to ask for a foreign currency grant, unless this is absolutely essential, e.g. to fund an external consultant or imported equipment. Many donors find it easier

or preferable to provide local currency grants, to second young people to help, or to donate equipment.

Financial arrangements

Donors provide loans, grants, and contracts. Loans may be hard, (at or near commercial interest rates) or soft (at lower interest rates and with more generous grace and repayment periods). Some donors, especially the development banks, prefer loan programs. First, they see government willingness to repay the money as an indication that the project is a priority. Second, the repayment funds can be recycled to support additional activities.

In the 1990s, there has been a strong move in the donor community to substitute soft loans for grants for the funding of national agricultural research. Nowhere is this more clearly seen than in the World Bank, which has set aside $500 million for developing countries to tap for NARS activities.

There are many different kinds of grant arrangements. As indicated, they may be in foreign exchange, local currency, or a mix of the two. Grants can also be in kind; the World Food Program, for example, often uses food as the currency of its grants.

Donors may contract for specific services or products. Quite often, donors wish to associate national agricultural research organizations with projects being implemented by contractor teams. This may be done by a host-country contract directly with a local organization, or through a subcontract. Contracts may be with a given organization as a whole, with a given department or section, or with individual researchers.

Nonfinancial arrangements

Many donors like to foster technical or professional linkages between NARS and research entities in their own or other countries. Such linkages are likely to be in the NARS' interest, not least because the scientists in those other research institutions can provide endorsements and donor contacts for the funding of future projects. Several donors also offer training opportunities which NARS leaders can use to strengthen the capacity of their staff, and as rewards for the best performers in their agencies.

Some donors like their funds to be applied to the purchase of equipment produced in their home country, which is then used by the NARS in the project under consideration. Provided this equipment is compatible with what is already on hand, and that the need for future spare parts and maintenance is accommodated by the grant, this can be a useful way to upgrade the NARS labs, computer facilities, motor pool, etc.

A few donors will want or offer to post their own scientists to work alongside NARS scientists. NARS leaders may feel that the large amount of money needed to support expatriate scientists would be better spent on additional research work. However, it should be remembered that seconded scientists often come with small research budgets, and they nearly always come with bright

ideas, enthusiasm, and useful professional linkages. They can also provide a good communication channel with the donor for future funding requests.

Grant sizes

Most donors have upper and lower limits on grants. A small grant may require as much paperwork and consultation with headquarters as a big one; for this reason, many donors will not consider grants below a certain level. Some donors, especially those that have decentralized some decision making to the field (for example, the Ford Foundation, USAID, and some IDRC and ODA offices), can approve relatively small proposals in the field, but have to send larger ones to headquarters. This obviously makes a difference to a NARS if it is seeking a quick injection of funds—for example, to support a scientist with a sudden opportunity to study abroad.

Since the budgets of all donors fluctuate from year to year and place to place, the only way to find out about the grant limits imposed by individual donors is to ask. It is a legitimate question to which NARS scientists need an answer in order to prepare a sensible proposal. Donors will not hesitate to provide this information.

Budget restrictions

Most donors have precise rules on what they will or will not fund. For instance, some donors will not pay salary toppings or honoraria; others will. Some donors are very concerned about indirect costs (discussed in a later section). Some donors want very detailed budgets, and will question every line item; others are much less demanding. Only experience and discussion with donors will provide such important information.

Grant duration

Almost all donors work on annual budget cycles. The most "political" donors (bilateral agencies of industrialized countries) have budgets that may fluctuate considerably. Few donors are therefore willing to make long-term commitments, even when they recognize that the subject matter, such as agricultural research, demands it.

Most donors are used to funding three-year projects, with five years as the usual outside limit. If a NARS scientist knows the proposed work will take longer, it is recommended that the work be presented in phases, ideally three years each. The original proposal should state explicitly that a follow-on grant will be needed if phase-one results indicate the work should be continued. Most donors find it easier to finance follow-on grants than initial grants since they already know the recipient NARS and are anxious to protect their original investment. If phase one went well, the chances of getting phase-two funding are much higher than if a new proposal is submitted to a new donor.

By phasing project activities, it may be possible to secure funding for a single project for as much as 10 years. But this cannot be guaranteed, and the wise NARS leader will always be thinking ahead to ensure seamless funding for long-term research.

How long will it take to get a grant?

There are at least four stages in turning an idea into a fully funded project:

- **Project design and proposal preparation.** This stage comprises all the steps in converting an idea into a proposal ready for submission to a donor. It is the subject of the next section of this chapter. Depending on the scale and complexity of the project and the number of people involved in the design, this stage may take as little as a month or more than a year. There is a growing trend to involve beneficiaries in project design to ensure their full cooperation during implementation. This, of course, prolongs the design phase, but early implementation will be surprisingly fast, and the results should be superior.
- **Internal approvals and clearances.** The NARS proposal will need to be cleared internally by the host government. This is where the NARS director's contacts with the various powers-that-be in his or her government are all-important. If relations are good, approvals can take anywhere from three to nine months. Without any clout in these offices, approval may take over a year. The wise NARS leader will involve key individuals from the planning, cooperation or external relations ministry in any plan to seek external funding. It is important to secure an initial expression of support from these people before time and money are committed to the preparation of a proposal.
- **Consideration by donor.** Once the responsible host-government body has submitted the proposal to the donor on behalf of the NARS, it is the donor's turn to obtain internal approvals and clearances. As already noted, if the grant is relatively small, approval can be given locally and may require only one or two months, especially if the NARS has been maintaining regular donor contact. However, for a large grant, the donor will probably have to send the proposal to headquarters, perhaps for submission to a board that only meets at certain times of the year. So initial donor approval of the grant may take six months or even longer.
- **Negotiations.** A donor will often approve a proposal in principle but have serious questions about some of the planned activities or items in the budget. At this point, the NARS and the donor need to negotiate. If the issues of concern are simple and the donor has a staff member in the host country with full authority to negotiate, this stage, if it happens, may take as little as a month. If the issues are complex and negotiations require headquarters approval, this stage can stretch out to three to four months.

The various stages add up. It takes at least five or six months from idea to funded project, with an average of 12 to 18 months. In some cases, up to three years may be needed. Patience is an essential quality in external fund-raising.

Project Design and Proposal Preparation

The art of converting an idea into a project with outputs and impact is as old as civilization itself. It is indeed an art, and as such, there is no single right way to do it. What follows are suggestions for efficiently turning an idea about agricultural research into a project described in a proposal to an external donor. It is a logical progression of steps that has proved successful for others.

Screening research ideas

In most NARS, there must be dozens or perhaps hundreds of ideas for research stirring in the hearts and minds of scientists. It is the research leader's task to find the best ones. In terms of donor-fundable projects, the "best" ideas are those that meet all the following criteria:

- They are of interest to all parties: researchers, beneficiaries, politicians, and the donor.
- They are researchable within a reasonable time span.
- They do not cost more than is likely to be available.
- They can be implemented by available human resources (including additions funded by the project).
- They are worthy of research, i.e., have the potential to make an important difference.

It is not the task of this chapter to advise NARS leaders how to make these decisions. However, it should be noted that, increasingly, donors are supporting only research projects that show promise of direct and positive impacts on the lives of poor people. Proposals most likely to receive funding will be for research that can bring about positive changes in one or more of the following: the health, wealth, nutrition, and general well-being of farmers and their families; the state of the environment (land, watershed, etc.); national food security; economic growth. In the 1990s and beyond, research that produces knowledge for its own sake is unlikely to attract donor funding.

Preliminary design: Preparing a concept paper

Once there is agreement that an idea is worth developing, it is advisable to do the preliminary design by preparing a short concept paper (CP). This can be written by the person whose idea it was, but it might be better to set up a small design team to work together on developing the concept. Box 3 provides a sample outline for a one- to two-page concept paper.

Box 3. Sample Outline for a Concept Paper

Working title
Objective
Proposed site(s)
Proposed staffing
Collaborators and partners
Project duration / start date
Estimated cost
Possible donor(s)
Goal and purpose (one paragraph)
Relation to institute's program (one paragraph)
Expected outputs and impact (two to three paragraphs)
Proposed activities (two to four paragraphs)

Once finished, the CP should be reviewed at a formal meeting within the institute, with scientists from different disciplines invited to the review. The institute director is the ideal person to chair the review.

At this point, it is useful to share the CP with one or more potential donors, to determine what interest there is in supporting it. This may also be a good time to discuss the proposed project informally with contacts in the ministry of cooperation. If problems crop up at this stage, the project can be canceled or shelved before too much time, effort, and love has gone into its design.

Full design: Harnessing logic and imagination

If a donor has shown preliminary interest, if everyone in the NARS is happy with the concept, and if indications are that the planning division will agree to sponsor the project as a government priority, the scene is set for full project design.

There are many ways to design research and development projects. One of the most widely used is the logical framework matrix (Horton et al. 1993). The recommended reading list at the end of the chapter also provides references helpful in project design.

Project design is an act of imagination. The designer tries to imagine what inputs will be needed to achieve the desired effect, in what combination, where, when, and at what cost.

One useful technique for people with limited experience in designing projects is to brainstorm in a group, taking each section of the project proposal and discussing alternative combinations until a consensus is reached. An ideal brainstorming group will consist of three to five people from different disciplines (one agronomist, one biological scientist, and one economist, for example). The disciplinary mix will enrich the design process.

Another useful exercise is to examine an earlier project that is known to have been highly successful. The design team can analyze that project, identify

elements that made it succeed, and incorporate them into the design of the new project.

If possible, the design team should seek informal inputs from outside reviewers as the design progresses. Outsiders can sometimes pick up on simple things that team members cannot see because they are too close to the project.

In some countries, the government may have a set format for presenting proposals to external donors. If so, the NARS should use it. Annex 1 describes one specific method, based on 10 steps, for presenting proposals in a logical, easy-to-read fashion. It has been successfully used for international agricultural research projects. It is certainly not the only method, but NARS leaders may wish to adapt it for use in their institutes.

Moving the proposal through the bureaucracy

Once the proposal is written, it is up to the NARS leader to shepherd the project proposal through the national government's bureaucracy. Since each bureaucracy is different, it is not feasible here to give highly specific suggestions. In general, however, lobbying and face-to-face meetings give proposal reviewers a better chance to understand and support the project. Informal presentations, as well as endorsements from colleagues, superiors, and illustrious scientists, are also helpful. In fact, an interested donor representative may be willing to speak on behalf of the project at this stage.

Proposal revision

Project designers should not be surprised if they need to revise the proposal several times. As noted earlier, all stages of project development tend to drag on, and as time passes, circumstances change. Assumptions made during the preparation of the concept paper may no longer be valid two years later when the full proposal first goes to the treasury or the donor's headquarters.

If the project is large and complex, the design team will almost certainly be asked to revise the budget, and perhaps to cut down the scope of the activities or make the objectives less ambitious. A donor may also ask for other sites to be added or for the project to be merged with others in which the donor is interested. If the NARS project designers are open and flexible, this stage of project development can be seen as an opportunity to improve the design, rather than as a delay in receiving the funds.

On-Going Donor Relations

Donor "strings": The quid pro quo

Few donors provide money for purely altruistic reasons. As organizations, donors often have policies and preferences that have a direct bearing on how a

NARS can spend the money it receives. The regional development banks all require their funds to be spent in the region they cover. But some are stricter than others. The Inter-American Development Bank, for example, will not allow its funds to be used to cover the costs of any consultants or staff who are not from member countries.

Some donor countries refuse to invest in particular developing countries for political reasons stemming, for example, from a recent diplomatic dispute, a history of military conflict between the two countries, or an unacceptable human rights record. Countries torn by civil war may attract relief funds, but in the absence of at least a small measure of political and social stability, donors prefer to hold off investing in research and development projects.

There are often sourcing limitations. Many donors have complex procurement rules that need careful study by prospective recipients of funds. In particular, bilateral agencies usually want grantees to buy goods and services from the donor country if items are not available locally. Seeing that some of the donor money is recycled back to the domestic private sector helps to make foreign assistance more popular with donor-country taxpayers.

Many, if not most donors, impose programmatic restrictions on funding. Some Scandinavian donors will not fund anything that might have a negative environmental impact, even if the other outcomes are positive. Many Western donors like to see provisions for the private sector to take an active role in the project, perhaps as consumers of research results. Proposal writers need to understand the likes and dislikes of each donor, and work around these.

All of this means that there will always be some quid pro quo in accepting grant funds from an outside source. Some of the strings attached to the money will pull tighter and seem more uncomfortable than others. Everyone knows of the short-term hardships associated with structural adjustment programs required by the World Bank for the receipt of its funds in many countries. Looked at from one perspective, strings can be used to the NARS' advantage: donor pressure may help a grant recipient to introduce unpopular but useful measures.

The prospective recipient always has a choice, of course. If a NARS cannot accept the donor's restrictions, it need not accept the money. It can always look elsewhere. Although it does not always seem so, the scarcity of well-designed projects is usually greater than the scarcity of donor money.

After the grant is received

Assume that the years of project design, proposal writing, and waiting have paid off and that a NARS has succeeded in obtaining a grant from an external donor. The story doesn't end there. The NARS leader must now consider three things: the extent to which the donor will want to be involved in the project; the need to keep the donor interested so that a follow-on grant can be obtained if necessary; and, if several donors are involved, how to coordinate the various separately funded activities.

Donor involvement

Donors vary widely as to their interest in, and capacity for, involving themselves in the implementation of a NARS research project. Those with no country field offices will obviously be less involved and intrusive than those with technical staff and vehicles in the country.

Some donors see their role as mere providers of money. Others see themselves as partners, with expertise to share as well as money. On first reflection, it might seem that the far-away donors are the "best." After all, they are out of sight and will leave the NARS to do its own thing. But sometimes a donor that cares about details can help redirect a project that is limping along because external conditions have changed, key individuals are being difficult, or the design was too rushed, too simple, or too optimistic. Wise NARS leaders will keep an open mind. They will share their concerns, needs, and fears with the donor, and use the donor's different strengths and influence to help them achieve their aims.

All public bilateral donors are held accountable to their own treasury or finance ministry for the funds they grant. Increasingly, grants and loans are monitored during their implementation and audited or evaluated at mid term and after completion. The people assigned to carry out these tasks may be from separate agencies, with little interest in the country or subject matter. They may be inspectors, trained to be skeptical and suspicious. Having to respond to such audits and evaluations is one of the strings often attached to donor aid.

Keeping the donor interested

There is much to be gained by maintaining good relations with the donor throughout the implementation of a project, not least to ensure receptivity to future needs. Good grantees send their project reports on time and invite donors to key project activities. They send newsletters and encourage suggestions.

Donors also appreciate NARS leaders who keep track of changes in the domestic environment of the donor country. If the economic situation worsens, donor representatives are likely to be put under stress, fearing budget cuts or even staff reductions. In addition, political changes can have sharp effects on funding policies. NARS leaders will reap rewards in many ways by keeping abreast of the context in which their donors must work.

Minimizing work and overlap

Managing donor funds can be labor-intensive. Some donors need far more detailed accounting for funds expended than others. It is important to discuss this with the donor *before* the project budget is finalized. If very strict accounting is to be required, funds for a full- or part-time accountant should be included in the supplies and services line item of the project budget. That way the donor agency pays to get the accounting accuracy it needs.

If a NARS has activities sponsored by several donors, it may be worth the effort to try collective project monitoring, reporting, and evaluation. A NARS leader wanting this type of coordination needs to take all donors into his or her confidence and invite them to form a group. The NARS leader may suggest that reporting and accounting be streamlined into a single format. Donors will generally be sympathetic, and will comply if their rules permit.

It should be noted that in some countries, such as Bangladesh, Kenya, and Nepal, donors are assigned specific provinces in which they "specialize." In this situation, it would be sensible for the NARS to select research sites within the geographic areas assigned to those donors that have a stated interest in the subject covered by the research proposal. It would also be sensible to try to coordinate the proposed research with work being done by other government agencies in a given province or region.

In general, NARS leaders can learn much about donor relations by speaking to other organizations that have had experience with particular donors. As funds become increasingly scarce and competition for them grows, the rules and regulations are becoming more and more complex and onerous. No one should be ashamed to ask for outside help and advice.

How to be a happy (and successful) fund-raiser!

Most NARS leaders probably never expected to become fund-raisers when they first decided on agricultural research as a career. And many, finding they have to do it, don't much like it. Most NARS leaders would rather be doing, managing, or evaluating research. Here are some tips to help NARS leaders enjoy this necessary part of their work and get better at it.

- **Regard a fund-raiser as a facilitator, not a beggar.** As noted earlier, the art of project development is to match the donor's desire to invest in a good project with the recipient's need for funds to undertake research and development. This "match making" requires special skills, especially brokering, and is definitely not begging. It is a legitimate and important part of the NARS leader's job, and he or she will receive praise for doing it well.
- **Be prepared for rejection.** No one can get every single proposal funded. If a donor turns down a proposal, a NARS representative should try to find out why, asking pointedly about the strengths and weaknesses of the proposal. If the donor sees that the NARS is serious, a frank dialogue should result, and the NARS proposal writers can thus learn how to improve subsequent submissions. In international consulting companies, where the livelihood of all staff depends on having "winning" proposals, a group will feel it is doing an outstanding job if it wins one out of three contracts. If professional proposal writers experience this level of rejection, surely a NARS should accept that some fund-raising efforts will inevitably be wasted, at least in the short run. In the longer run, old

proposals need never die. They can be revisited, dusted off, and reworked into new, more attractive proposals to new donors.

- **Keep many irons in the fire.** Since proposal writers can expect that at least some proposals will be turned down, it makes sense to submit several. The more proposals submitted, the better the chances of getting one supported. (There is also the issue of whether to present the same proposal to more than one donor. Box 4 presents some thoughts on this.) If the NARS leader encourages all researchers to prepare research proposals, there should soon be enough irons in the fire to ensure that one gets hot every year!

Box 4. Submitting the Same Proposal to Multiple Donors

The same proposal can be submitted to several donors if the following conditions are met:

- It is explicitly stated in the cover letter that this is being done.
- The project budget is so large that no single donor is likely to provide the full amount. In this case, it may be prudent for the project designers to divide the project into several fundable pieces, one for each donor.
- The NARS leader is willing to take the risk that each donor will have fewer qualms about turning down the proposal, on the assumption that some other donor will probably say yes.
- The NARS leader is prepared to handle the complexity of receiving funds from multiple sources—different currencies, different rules, etc.

- **Accept the fact that fund-raising is a never-ending job.** NARS should by all means celebrate when the donor signals acceptance of a proposal. Then they should get on with preparing the next proposal. Fund-raising by nonprofit organizations like NARS is similar to the selling work done by profit-making entities. If there are no buyers for their products or services, they go out of business. Unless or until the NARS are privatized, and clients pay for scientists to undertake the research they want, NARS leaders will be seeking funds from their own treasury or from external donors. This means that designing projects and programs, preparing budgets, and "selling" ideas is an integral, on-going part of the NARS leader's job.
- **Cultivate patience.** Project development is a slow, sometimes agonizingly slow, process. Many stages are quite outside the proposal writer's control. Since NARS leaders cannot speed up these stages, they either learn patience or develop ulcers. They must decide which they prefer.
- **Remember the positive side of fund-raising.** The good news is that project development and fund-raising are never boring. Each proposal, each donor, each negotiation is different. A NARS leader will gain experience with each project, but the next one will still have the power to sur-

prise. So although fund-raising is for ever, it is for ever something from which everyone can learn!

Concluding Remarks

Mobilizing donor funds can be an intensely challenging but attractive way to expand the breadth and depth of work by a NARS. Proposals submitted for outside funding have a much better chance of being approved if they manage to integrate the research organization's objectives and concerns with those of the donor. This means that NARS leaders and scientists must understand where each donor is coming from, exploit that knowledge in the project design and proposal writing, and maintain a good rapport with the donor throughout project implementation.

On the surface, this may appear straightforward since, in two major respects, donors to agricultural research are pretty well all alike. They all have money to spend and they all want to support clearly targeted, executable research projects that will contribute to a partner country's economic and social development. In other important respects, however, donors differ markedly from each other. It is one of the jobs of the NARS leader to understand a donor's particular interests, motives, constraints, likes, and dislikes in order to get the most out of the relationship.

Some "donors," like the World Bank, are really lenders, while others provide outright grants. Some operate only in certain regions, countries, or subject areas, while others have a mandate for the entire developing world and fund projects on a wide range of topics. Many donors are bilateral agencies strongly influenced by the foreign policies of the national governments that fund them; others are multilaterals with broader subject focus and a more international approach to doing business. Some donors have tight strings attached to their funding, while others take a more hands-off approach. The key to successful mobilization of external funds is to be able to satisfy both the programmatic and bureaucratic requirements of these very different types of donors. In this respect, the chances of getting the green light for a proposal increase when the project design and proposal writing follow a rigorous, transparent, donor-sensitive process.

This puts the onus on research leaders and scientists to be entrepreneurial and develop skills other than those that have brought them success in the laboratory. These are the skills of the fund-raiser—among them, negotiation, public relations, writing for a nonspecialist audience, and budgeting.

Mobilizing donor funds is not necessarily quick or easy. Besides technical skills, perseverance and patience are needed while proposals are being developed and during the sometimes long waiting period of review and approval by host government ministries and donors. While the process may be onerous from beginning to end, working with donors can be a rewarding experience for the NARS. Not only does it bring in extra resources for research, it can also

stimulate scientists to design much better research projects, ultimately leading to a better quality of life for farmers and other beneficiaries.

Reference

Horton, D. et al. 1993. *Monitoring and Evaluating Agricultural Research: A Sourcebook*. Wallingford, UK: CAB International.

Recommended Reading

Evered, D. and M. O'Conner. 1987. *Communicating Science to the Public*. New York: John Wiley and Sons.	This collection of essays, presented at a CIBA Foundation conference, describes, among other things, the public perception of science. The essays stress the need for credibility and state that every effort should be made to communicate science as effectively as possible. For scientists taking on fund-raising activities, the book, though somewhat dated now, may provide interesting insights into how the public sees their work, and thus how they should write and talk about it.
Gooch, M. 1987. *Writing Winning Proposals*. Washington, DC: Council for Advancement and Support of Education.	The author takes the reader systematically through the different steps in proposal writing. She also adds a few ideas on how to develop a "project office" infrastructure that will help to produce a steady stream of proposals. A bibliography with further references on the topic is included at the back of the book.
Daniels, D. and T. Dottridge. 1993. Managing Agricultural Research: Views from a Funding Agency. *Public Administration and Development* 13:205-215.	This fairly recent and short text looks at the challenges of agricultural research management and the project experiences of Canada's International Development Research Centre. It reflects on the broader needs and responsibilities of research management and outlines key areas for future donor support.
Howe, F. 1991. *The Board Member's Guide to Fund-Raising: What Every Trustee Needs to Know about Raising Money*. San Francisco: Jossey-Bass Publishers.	The book highlights the need for board understanding and responsibility in fund-raising. Key elements of a successful fund-raising program are featured, such as techniques and procedures in seeking funds, capital campaigns, prospect cultivation and proposal writing, ethics, and cause-related marketing. The book describes how management and board members can be effective in fulfilling this aspect of their role.
O'Connel, B. 1987. Fund-Raising. Nonprofit Management Series, No. 7. Washington, DC: Independent Sector.	Written especially for staff and board members of nonprofit organizations, this paper offers a solid introduction to the variety of fund-raising activities that any nonprofit group should consider.

Muturi, S. N. 1989. Rationalizing Donor Support of NARS (a NARS perspective). In *The Changing Dynamics of Global Agriculture: A Seminar/Workshop on Research Policy Implications for National Agricultural Research Systems, Feldafing, Germany, 22-28 September 1988*. Eds. E.Q. Javier and U. Renborg. The Hague: ISNAR.

Schurig, T. 1989. Rationalizing Donor Support for NARS. In: *The Changing Dynamics of Global Agriculture: A Seminar/Workshop on Research Policy Implications for National Agricultural Research Systems, Feldafing, Germany, 22-28 September 1988*. Eds. E.Q. Javier and U. Renborg. The Hague: ISNAR.

These two papers indicate how donor relations with agricultural research systems can be optimized. They provide a NARS perspective and a donor perspective firsthand. The contrast between the perspectives adds value to each of the papers, providing insights into donor motives and NARS concerns.

Annex 1. Writing a Winning Proposal: A 10-Step Model

Some general principles should be kept in mind when writing a project proposal:

- The purpose of a research activity is to solve a problem or achieve a desirable output. This purpose contributes to a larger goal of importance to human development.
- To solve the problem or achieve the output, a number of inputs need to be properly combined. This combination will include activities by individuals or groups: thinking, experimenting, observing, reading, analyzing, synthesizing, inferring, building, testing, concluding, and so on.
- The activities need to be carefully managed to ensure the outcomes are achieved efficiently, effectively, within budget, and within given time limits.
- The costs of the inputs and activities can be estimated in advance.

The following outline has been useful for many proposals:

Summary	What is this proposal all about?
Background	Why should this project be implemented?
Objectives	What does it seek to achieve?
Activities	What will happen during the project?
Outputs	What will result from the project?
Work plan	How will the outputs be achieved?
Evaluation	How will the project ensure that the objectives have been achieved? What else might be learned from the project?
Budget	What will the project cost?

It is not a good idea to actually write the proposal in the order presented above. Rather, it is recommended that the design team prepare its proposal in the following order:

Step 1: Objectives. These are the key to the whole project, so it is important not to rush this step. Once the objectives have been drafted, the team should ask itself: Are the objectives valuable? To whom? Are they clear, measurable, and realistic in terms of the anticipated inputs? The design team is strongly advised to consult with others when preparing the objectives. Members should take enough time to think them through clearly and get the wording right. It is important that a project not promise more than can realistically be achieved.

Step 2: Activities. Writing these up is easy for most project designers. Using the verb "will," they should explain simply and clearly what the research team plans to do. This section should include a description of the research methods to be used. Proposal writers should remember that many donor readers are not scientists; they should therefore present the scientific design as simply as possible. The activities section should also be as brief as possible. It should not include any discussion of why the project is important, or why the

NARS should be doing it. Such material belongs in the background section (step 5).

Step 3: Work plan. This is one of the most difficult sections to prepare and will probably need several revisions. The work plan should include details on all intended inputs and how they will be combined to achieve the project outputs. It should include sections on most or all of the following:

- inputs and level of effort: staff and consultants (in person-years, months, weeks or days); collaborators and partners (also in person-time); training (how much, for whom, where, and when); equipment (cars, computers, office space, etc.);
- administrative arrangements: specific roles of the NARS, national or international collaborators, other government agencies, donors, and farmer groups or farm families;
- time plans: use of graphs, charts, and a brief narrative to explain when activities will take place;
- purchasing plans: details of what will be bought when;
- training plan;
- schedule of workshops and seminars;
- reporting: specifics on how often the project will report to the donor.

Step 4: Budget. Governments and donors usually have their own preferred budget formats. Proposals can succeed using a variety of formats, but a NARS leader should use a single one for all proposals submitted by the institute. A good way to ensure that all involved are aware of the approved format is to prepare budget guidelines. In preparing a budget, project designers should not ask for more than they need. But they should also avoid underbudgeting since no one will be happy if a project fails because it lacked the necessary funds to achieve its objectives. The most important part of budgeting is to footnote each line item carefully with accurate and current unit costs. Donors want to see budgets that are inclusive, accurate, and transparent. In a multiyear project budget, designers should include lines for contingency and inflation, and break the budget into annual expenses, since it is unlikely that funds will be expended evenly throughout the life of the project. Some donors may also want the project budget to distinguish between foreign and local currency requirements.

Step 5: Background. Saying why the research should be done is an easy step for most researchers. It should include: (a) the context in which the project will take place; (b) the problem to be researched and the need for the solution; (c) previous research on the subject by the NARS and others around the world; (d) the comparative advantage of the NARS in undertaking the project; and (e) who will benefit from the results. This section should be short, crisp, and highly readable. It should not be scholarly and full of footnotes, since it is not a research report. It is advisable to use headings to break up the material, and the whole section shouldn't be longer than two or three pages. If more needs to be written to explain the background properly, it should be put in an annex.

Step 6: Outputs. This section should carefully identify the beneficiaries of the project's results. The purpose is to show who (farmers, researchers, women, research institutions, farmer organizations, NGOs) or what (sector, region, economy, country) will be better off, and how. The outputs should be as quantifiable as possible. How many people will be helped? By how much will production increase? How many more people will be trained to provide extension in a given technique? The more details provided, and the larger the number of favorable outcomes and impacts, the greater will be the donor interest in investing in the project. It may help to regard this section as the donor's "payoff"—the ultimate reason why the donor organization should invest its country's money in the proposed research.

Anticipated project results should be described in two ways: measurable outcomes and less tangible impacts. Separating this part of the proposal into two sections, headed "outputs" and "impact," will help to ensure that both are included. Donors are increasingly more interested in impact than outputs. From the donor's point of view, this makes good sense. A project may yield all the outputs it promised, such as a certain number of people trained, experiments undertaken, and new cereal varieties bred. But if the outputs have no impact, i.e., poor farm families aren't better off, food production doesn't go up, and rural incomes remain stagnant, the investments in the outputs will not have been worthwhile.

The impact of research outputs may be difficult to project since it is often beyond the control of the NARS. For example, much will depend on the behavior of extension agencies and NGOs and on prevailing government policies and economic conditions. To overcome this problem, the proposal should be clear about the conditions under which the predicted project impacts can be achieved. By specifying assumptions and provisos, the project designers can make their proposal more credible in the donor's eyes. The information may also be helpful to the planning division staff charged with prioritizing proposals. Overall, research proposals should try to persuade donor readers not only that the NARS can deliver the promised outputs, but also that, if others play their part, something important will be achieved.

Step 7: Monitoring and evaluation. This section describes how the project will test to see whether the planned outputs are being achieved. The most important thing about this step is to ensure that it is included! Many people forget to think about how they will monitor their project. However, few things give a donor more confidence that their money will be well managed than a well-conceived monitoring and evaluation plan. No donor will begrudge the money it takes to do this work well.

If the NARS already has an institutional monitoring and evaluation system in place, this should be described and assurances given that it will be rigorously applied to the proposed project. If the NARS doesn't have such a system in place, the design team will need to devise one for the project in question. The following issues need to be considered: First, should the project be monitored and evaluated in-house or should an outsider be engaged to give a frank and fresh appraisal from time to time. The in-house option will be cheaper, but per-

haps not as useful. Second, will a baseline survey be needed? If so, this will be an early expense for the project. Third, how often will the project provide progress reports? Monitoring and evaluation data can be included in the annual or semiannual reports that will, in any case, be needed by the donor.

Step 8: Introduction and summary. This section summarizes what the proposed research is all about. Remember that although it is read first, it should be written last. The introduction/summary should be very short (maximum two pages, preferably less), clear, and highly readable as it may be the only section that some readers look at. All other sections of the proposal should be referred to here. The section should hold the reader's interest, but not be sensational.

Step 9: Reviewing and editing. This is one of the most important steps in proposal preparation. If possible, it should be undertaken after the project designers have had a chance to digest what they have drafted during steps 1 to 8. In re-reading the entire proposal with fresh eyes, they will catch any inconsistencies, omissions, or errors, and may very well have good ideas for improving the project design. This is also the point at which the proposal can be shortened and its readability improved.

Before the proposal is submitted to the donor, planning division, or ministry responsible for screening proposals, it needs to be reviewed again in-house. The review meeting should again be chaired by the NARS director, and scientists from all important divisions should be invited to attend and comment. This should be a formal event, taken as an opportunity for the best minds in the NARS to focus on each project being considered. Design teams should be prepared to do a final rewrite, taking into account the comments made by the review participants.

Step 10: Submitting the proposal. Whether the proposal is sent directly to a donor or forwarded to a planning division or ministry of external affairs, it should be accompanied by a covering letter. This can be drafted by the design team or prepared by the NARS director. In either case, time and care will be needed. Before writing a word, the author of the covering letter should think carefully about the person being addressed. What are his or her interests, fears, needs, and concerns? The covering letter should specify what the writer wants the reader to do and by when. Sentences like "My colleagues and I look forward to hearing that you have forwarded the proposal to . . . , when we telephone your office at the end of the month" may be useful. (If the proposal is being sent directly to the donor, the same principle applies.)