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TO - Washington TOAID A- 036

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DATE SENT 4/26/79

FROM - LA PAZ
E.O. 12065 N/A

SUBJECT - Agricultural Development in Coca Zones Evaluation

REFERENCE -

FOR MO/PAV

Attached herewith are seven copies of Project Evaluation for Project N°511-7271, Agricultural Development in Coca Zones.

BOEKER

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Attachments: s/s

PAGE 1 OF PAGES 1

DRAFTED BY	OFFICE	PHONE NO.	DATE	APPROVED BY:
EMontaño/ebm	DPE	306	4/21/79	D/Frank B. Kimball

AID AND OTHER CLEARANCES
DPE: LWaggoner
DPE: HHendler

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PROJECT EVALUATION SUMMARY (PES) — PART I

Report Symbol G-447

1. PROJECT TITLE	2. PROJECT NUMBER	3. MISSION/AID/W OFFICE
AGRICULTURAL DEVELOPMENT IN COCA ZONES PILOT PROJECT (FORMERLY COCA CROP SUBSTITUTION)	511-7271	BOLIVIA

4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g. Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY) 79-5

[X] REGULAR EVALUATION [ ] SPECIAL EVALUATION

5. KEY PROJECT IMPLEMENTATION DATES	6. ESTIMATED PROJECT FUNDING ($ 000)	7. PERIOD COVERED BY EVALUATION
A. First PRO-AG or Equivalent FY 74	A. Total $ 10,7[illegible]	From (month/yr.) 2/74
B. Final Obligation Expected FY 79	B. U.S. $ 4,807	To (month/yr.) 6/78
C. Final Input Delivery FY 80		Date of Evaluation Review November 6, 197[illegible]

8. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR

A. List decisions and/or unresolved issues, cite those items needing further study (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., airgram, SPAR, PIO, which will present detailed request.)	B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
A. Shift emphasis of University of Florida contractor research and extension efforts to integrate more fully with several Bolivian development entities, especially in the Chapare; i.e., stronger coordination and interfacing with research and development programs of PRODES, CORDECO, CORDEPAZ, INC and [illegible], as well as with IBTA.	Daniel A. Chaij Chief, RDD/USAID-B	1/1/79
B. University of Florida Contractor should accelerate the economic analysis component of its contract so that costs and returns of alternative crops to coca are known. This includes farm budgets based on input/output coefficients for coca and the principle alternative crops identified as technically feasible in the agronomic research work completed by the Contractor.	Daniel A. Chaij Chief, RDD/USAID-B	4/1/79

9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS

- [ ] Project Paper
- [ ] Financial Plan
- [ ] Logical Framework
- [ ] Project Agreement
- [ ] Implementation Plan e.g., CPI Network
- [ ] PIO/T
- [ ] PIO/C
- [ ] PIO/P
- [X] Other (Specify) Workplan of the U. of Florida
- [ ] Other (Specify)

10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT

- A. [X] Continue Project Without Change
- B. [ ] Change Project Design and/or [ ] Change Implementation Plan
- C. [ ] Discontinue Project

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)

12. Mission Director Approval

Signature

Typed Name: Frank B. Kimball

Date: April [illegible], 1979

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PROJECT EVALUATION SUMMARY - PART II

PROJECT [illegible], AGRICULTURAL DEVELOPMENT

IN [illegible] ZONES

13. Summary - In actuality the project is entering it's third year of life, but effectively it has only been operational since August 1977 when PRODES became operational. Prior to August 1977 the University of Florida had three technicians in country from April 1976, and four technicians from [illegible] 1977, but there was much confusion as to who their GOB counterparts were, where emphasis would be placed, who they should work with in the field, etc.

Furthermore, USAID had [illegible] personnel, facilities, vehicles, or operational funds allocated in the two zones of interest. All of this has changed with the help of the grant funds, the dynamic leadership demonstrated by PRODES personnel and a series of agreements carefully outlining GOB agency responsibilities. Florida now has five of the seven technicians in residence and is actively recruiting for the other two positions.

Experimental trials and demonstration plots are showing promising results, indicating the direction alternative crop recommendations and technical practice changes should take. The project is now initiating marketing changes analyses and other socio-economic analyses which will permit implementation of development projects in the two zones. Significant results can be expected in the next two years, and progress toward achieving the project goals and objectives realized.

14. Evaluation Methodology - The basic purpose of the evaluation was to measure project progress and to solicit expert opinion on how to improve project implementation. The evaluation was conducted by three senior research leaders under a PASA with the United States Department of Agriculture for a total cost of $[illegible],000. The methodology used, the participants and time frame are all described in the final report of the consultants attached as an Annex to this evaluation.

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15. External Factors - (Not pertinent at this time).

16. Inputs - Problems were experienced with the timely arrival of qualified technicians under the University of Florida contract. The contract has never had a full complement of resident technicians on board as authorized and budgeted. The quality of these technical services has not been as expected in several cases. It is believed that this problem has now been resolved. Further, there were GOB agency frictions in the early life of the project. These have also been resolved in the opinion of project management. Backstopping by AID/W in the procurement of specialized marketing technical services has been poor. This has been documented in a number of telegrams from the Mission, and should be resolved in the near future.

17. Outputs - Because of the input problems mentioned above, the following project outputs are approximately one year behind the original schedule.

7. Study of coca production
8. Small farm production survey
9. Domestic market analysis
10. International market studies
16. Budgets developed on existing crops
17. Budgets developed on new crops
19. Sets of product prices developed
20. Sets of input prices developed
21. Comparative economic analysis of alternative practices
29. First two masters trainees.

18. Purpose - "The project will contribute to the programming goal of diversifying the productive economic base in coca producing areas of the Yungas and Chapare while a program to minimize the illegal production, export and use of coca is developed. Its purpose is to develop and test viable alternate agricultural production packages, and determine the agronomic, economic and socio-cultural feasibility of an expanded coca crop substitution program in the Yungas and Chapare".

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A viable program to minimize the illegal production, export and use of coca has never been developed and implemented by the GOB. An overall mission strategy for agricultural development and control in the coca zones has recently been promulgated, but has not yet been endorsed by the present GOB. Since there can be little sucess in agricultural diversification in the coca zones without the companion control program (i.e., economically there is no substitute for coca that will yield equal returns to farmers in the absence of a coca market or price control program), the diversification output objective is long term. If a viable control program were to be instituted beginning in 1980, a significant amount of agricultural diversification could be expected beginning in 1983, especially in the Chapare

19. Goal/Subgoal - Significant additional project information with which to plan agricultural diversification projects will be available in the late FY 1980 or early FY 1981.

20. Beneficiaries - Replacement of significant portions of income lost by small farmers from not producing coca as a cash crop for the illegal maket in many areas of the Chapare and Yungas. Improvements in the levels of living of rural families in the two zones by the provision of improvements in community services and infrastructure there (i.e. better farm to market/ all weather roads, potable water, rural electrification, public health posts, cooperative marketing facilities, etc.) Freedom from the vicissitudes of monoculture agriculture - coca - and improvements in production and marketing credit, permitting small farmers the opportunity to diversify, providing less price risks and alternative marketing choice opportunities.

21. Unplanned Effects - (Not pertinent at this time).

22. Lessons Learned - (Not pertinent at this time).

23. Special Comments or Remarks - (Not pertinent at this time).

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