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1. PROJECT NO. 518-15-995-096.4	2. PAR FOR PERIOD: 6/1/71 TO 7/15/72	3. COUNTRY Ecuador	4. PAR SERIAL NO. 72-10
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5. PROJECT TITLE  
**INSTITUTIONAL DEVELOPMENT - Agricultural Marketing** Sp.

6. PROJECT DURATION: Began FY <u>70</u> Ends FY <u>72</u>	7. DATE LATEST PROP 5/3/71	8. DATE LATEST PIP 3/10/70	9. DATE PRIOR PAR 5/31/71
U.S. FUNDING	a. Cumulative Obligation From Prior FY: \$ <u>389,000*</u>	b. Current FY Estimated Budget: \$ <u>0</u>	c. Estimated Budget to completion After Current FY: \$ <u>0</u>

11. KEY ACTION AGENTS (Contractor, Participating Agency or Voluntary Agency)

a. NAME <b>International Development Foundation</b>	b. CONTRACT, PASA OR VOL. AG. NO. <b>AID/I.A-634</b>
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12. NEW ACTIONS PROPOSED AND REQUESTED AS A RESULT OF THIS EVALUATION

A. ACTION #X1			B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
USAID	AIDY4	HOST		
X			<p>Conduct post-project evaluation of lasting effects of project. (The Mission Evaluation Officer and Project Manager are conducting on-site verification of the status of local cooperatives. Their report will be officially submitted later).</p> <p>Total includes \$112,000 from FY-1969 funds which were placed in this contract under Project 518-15-910-092, named Local Planning and Development.</p>	

RECOMMENDED BY: <input type="checkbox"/> MGR <input type="checkbox"/> DIA <input type="checkbox"/> SRS <input type="checkbox"/> PIP <input type="checkbox"/> PIO/C <input type="checkbox"/> PIO/P	E. DATE OF MISSION REVIEW August 18, 1972
PROJECT MANAGER, TYPED NAME, SIGNED INITIALS AND DATE Theodore Torrico, Chief Cooperatives Branch	PROJECT DIRECTOR, TYPED NAME, SIGNED INITIALS AND DATE Peter M. Cody

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**II. PERFORMANCE OF KEY INPUTS AND ACTION AGENTS**

A. INPUT OR ACTION AGENT CONTRACTOR, PARTICIPATING AGENCY OR VOLUNTARY AGENCY	B. PERFORMANCE AGAINST PLAN							C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X)					
	UNSATISFACTORY		SATISFACTORY			OUT-STANDING		LOW		MEDIUM		HIGH	
	1	2	3	4	5	6	7	1	2	3	4	5	6
1. International Development Foundation		X											X
2.													
3.													

Comment on key factors determining rating: The performance of the contractor in developing and implementing the project was unsatisfactory: output targets referring to formation of local cooperatives) which were established in the matrix and agreed to by the contractor (See U-307, June 30, 1971) were not met and the conditions expected at end of project--as stated in the contract amendment of January 18, 1970--were not adequately realized. Repeated requests by USAID for information needed to manage and evaluate the program--eight attempts, five of which were in writing (U-307, December 31, 1971)--were largely ignored as information that was provided was incomplete. As reported in the U-307s dated June, 1971 and December 31, 1971, the project team leadership was considered inadequate and unresponsive to AID direction although this situation improved somewhat when one of the team members was replaced.

4. PARTICIPANT TRAINING	1	2	3	4	5	6	7	1	2	3	4	5
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Comment on key factors determining rating:

No participants during reporting period.

5. COMMODITIES	1	2	3	4	5	6	7	1	2	3	4	5
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Comment on key factors determining rating:

No commodities were ordered during the reporting period.

6. COOPERATING COUNTRY	a. PERSONNEL	1	2	3	4	5	6	7	1	2	3	4	5
	b. OTHER												

Comment on key factors determining rating:

CREA

CREA displayed an increased interest in the program during its latter months, assigning an economist and accountant to work on problems reported in Audit Report # 1-518-72-93. CREA has indicated its intention to continue the marketing program and has officially established a cooperatives department to carry out the activities.

7. OTHER DONORS	1	2	3	4	5	6	7	1	2	3	4	5
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(See Next Page for Comments on Other Donors)

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II. 7. Continued: Comment on key factors determining rating of Other Donors

No other donors

### III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					
		CUMU- LATIVE PRIOR FY	CURRENT FY		FY ____	FY ____	END OF PROJECT
			TO DATE	TO END			
CREA organizer/instructors well trained	PLANNED	12	8	8			8
	ACTUAL PERFORM- ANCE	8	8				
	REPLANNED			8			8
First level marketing organi- zations formed/secondary level unions established	PLANNED	21/1	21/3	21/3			21/3
	ACTUAL PERFORM- ANCE	9/0	21/0				
	REPLANNED			21/0 <sup>a/</sup>			21/0 <sup>a/</sup>
Number of members of first level cooperatives	PLANNED	400	200	2000			2000
	ACTUAL PERFORM- ANCE	500	917				
	REPLANNED			917 <sup>b/</sup>			917 <sup>b/</sup>
a/ See page 4, IV.B.2.2.	PLANNED						
b/ See page 4A, IV.B.2.2a.	ACTUAL PERFORM- ANCE						
	REPLANNED						
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS		COMMENT:					
1. Organizer/instructors well trained		Both USAID/E and CREA have been satisfied that the organizer/instructors have been well trained and are capable of carrying out the activities of organizing and supporting marketing organizations.					
2. Department dealing exclusive- ly with marketing established in CREA		CREA has established this department, and although less than a month has passed, it appears that CREA intends to maintain it.					
3. First-level cooperatives economically viable		COMMENT: Apart from the cattle coops in the Upano valley, none of the coops under the program is economically viable (See Audit report # 1-518-72-93, p.3). During FY 1972, the 5 coops in the Tambo-Cañar area had a total income of less than \$500. One coop earned \$200, and two others earned approx. \$120 each. These levels are not sufficient to sustain active cooperatives.					

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged. 2. Same as in PROP?  YES  NO

Establish an on-going program of developing self-sufficient, effectively-functioning agricultural marketing cooperatives in the Azuay, Cañar and Morona Santiago region.

B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
<p>1. CREA actively working to promote, organize, and service agricultural marketing cooperatives with:</p> <ul style="list-style-type: none"> <li>a) an established department within CREA dealing exclusively with marketing cooperatives;</li> <li>b) 1 full-time department manager;</li> <li>c) at least 4 organizer/instructors working full-time in marketing;</li> <li>d) 1 marketing economist full-time and 1 part-time accountant;</li> <li>e) adequately budgeted and logistically supported.</li> </ul> <p>2. A minimum of 15 cooperatives and 6 pre-cooperatives which:</p> <ul style="list-style-type: none"> <li>a) have 2,000 members;</li> <li>b) 5 of which are 100% self-financing;</li> <li>c) have trained, paid managers;</li> <li>d) are credit worthy and receiving credit;</li> </ul>	<p>1. CREA has established a cooperative extension department that is to promote, organize and service marketing cooperatives. It has a full time department manager, seven organizer instructors, and, at the present, an adequate budget. An accountant and economist are available on a part time basis. Since the department is new (established in late June) and has been independent of IDF for only a short period of time, it is too early to predict its future. There have been considerable frictions between the IDF-trained team and other extensionists.</p> <p>2. As late as March, 1972. IDF reported 12 cooperatives with 500 members, although the audit report, dated June 22, 1972, could identify only 9 with 360 members. The IDF final report claim 30 cooperatives with 1199 members. Follow-up verification showed 10 cooperatives or pre-cooperatives that had actually participated in marketing activities through the program, 11 others had received from one to three short courses from CREA/IDF although at least six</p>

V. PROGRAMMING GOAL

A. Statement of Programming Goal

1. To raise the level of income of that extremely large segment of the population (estimated by the GOE at 53 per cent) which is on the margin of society.

B. Will the achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national problem? Cite evidence.

Data from the pilot experiences of developing marketing coops indicate that a large scale program could have a beneficial effect on small farmer income if the cooperatives can become economically viable. The coops appear to be obtaining higher prices for their members and have forced middleman in the areas to pay higher prices. Whether or not this will lead to significant increases in the income of substantial numbers of small farmers in the Azuay, Cañar and Morona Santiago region of Ecuador will depend upon how vigorously CREA pursues the program in the future.

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged. 2. Same as in PROP?  YES  NO

<p>B. 1. Conditions which will exist when above purpose is achieved.</p> <p>e) are marketing the major portion of their members' production;</p> <p>f) have developed plans to expand services.</p> <p>3. Three self-sufficient regional line of production secondary level cooperative organizations.</p>	<p>2. Evidence to date of progress toward these conditions.</p> <p>of these had not initiated any marketing activities, and 9 communities that had expressed interest" in joining the program.</p> <p>a. There were 541 members of the "active" coops, 376 members of the coops that had received courses, and 282 members of the groups that had expressed interest.</p> <p>b. None were self financing (see Audit report # 1-518-72-93).</p> <p>c. All managers of the active coops had received training, only two were adequately paid.</p> <p>d. Approximately eight coops had received credit.</p> <p>e. Only 10 cooperatives were performing marketing functions, with the help of CREA/IDF.</p> <p>f. No information.</p> <p>3. No secondary level coop were formed because of a decision that this was not feasible at the present time.</p>
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V. PROGRAMMING GOAL

A. Statement of Programming Goal

B. Will the achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national problem? Cite evidence.