

PAR CONTINUATION SHEET

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008 NARRATIVE FOR PART I-A (cont.)

The project is meeting established time, financial, and output targets.

The United States Agency for International Development (USAID) is completing its eighth year of technical and financial assistance to the cooperative movement in Uganda.

1. The overall performance and effectiveness of the project implementation is achieving nearly all targets at the planned rate.
2. The project is continuing to contribute to the efforts to achieve sector and goal plans.
3. The resources which are nearly all manpower contributions except for some demonstration commodities and U.S. participant training are being utilized efficiently.
4. This project continues to be relevant and important and is becoming more significant to the country development.

The Cooperative Department has been significantly upgraded, placing salaries and benefits of departmental personnel on the same level with those of other related Ministries. This action is significant in that it will be easier for the department to recruit and retain qualified staff.

A new coffee marketing policy announced in October 1969 called for all coffee buying and processing facilities to be owned, operated and managed by cooperative societies. Implementation of the policy was carried out with relative ease as 40% of the crop was already being handled by cooperatives.

A further announcement outlining the policies and procedures for the marketing of minor crops (groundnuts, maize, soybeans, sorghum, millet, rice, etc.) went into effect on January 1, 1970. The above food crops are currently being purchased from growers by the District Cooperative Unions at prices established by the Produce Marketing Board, which then assumes full responsibility for the processing, marketing and distribution of these crops.

Descriptions of the project's major sub-activities progress toward meeting the goals during the past year are as follows:

MANAGEMENT

The Central Union has earned a reputation with commercial banks in Uganda that prompts a readiness on their part to provide both operational and development capital as needed. This is attribute to the Uganda Cooperative Central Union committee and management staff who, by their performance, have proven their ability to provide sincere, dedicated, competent leadership.

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Other significant actions taken during the year are as follows:

Administration

The Central Union added the following key personnel to its staff.

- (a) A Field Sales and Service Representative with an agricultural, veterinary and animal health background to maintain consistent and regular contacts with district unions.
- (b) An Assistant Produce Marketing Manager to assemble statistical data and survey product market potentials.
- (c) An Insurance Assistant to handle the growing volume of business and encourage diversification into other fields of insurance. Heretofore, this has been a one man operation.
- (d) A Warehouseman to improve inventory control and expedite receipt and deliver of farm supplies.

Development

An investment totalling \$214,285 was made in the Uganda Milling Company Ltd. at Jinja. This gives the UCCU over 10% ownership, a strong voice in the management, and an opportunity to influence the Company to move into the growing animal feeds market.

Shares were also purchased in the Uganda Bags & Hessian Company Ltd. in Tororo amounting to \$120,000 for a 14% interest in the company. UCCU will distribute gunny bags, hessian cloth and other manufactured jute products worth more than \$1.5 million to district unions.

Produce Marketing

The Produce Marketing Department has entered into competitive bidding to supply food crops to both government and private institutions. A special effort has been made to carefully grade, clean and process these food crops so as to deliver a top quality product. As a result, they have earned an enviable reputation and have been awarded annual tenders approaching a 2,000 ton volume.

All eight USAID financed minor crops warehouses have been completed for some time and are being utilized for the storage and processing of food crops for local consumption.

Insurance

The Central Union is acting as the sole agent for all cooperative insurance business. The UCCU is presently providing coverage for buildings, vehicles and loss of cash for 17 district unions with premiums estimated at \$370,000.

FAIR CONFIRMATION SHEET

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LIVESTOCK MARKETINGThe Dairy Industry

Nineteen registered cooperative dairy societies were operating in 1969. These societies varied in size from small collection centers handling 50 to 100 gallons of milk daily, to the Toro Dairy Cooperative Society in Fort Portal which handles over 700 gallons of pasteurized milk daily. This society organized in 1966 continues to grow and prosper. The new pasteurization plant completed last year is operating very well. The cooperative delivers fresh milk to all principal markets in the district. Producers are paid promptly on the 5th of each month and savings have been substantial. These savings have averaged over \$10,000.00 a year since the Cooperative was organized four years ago and have been used for the construction of the new dairy plant and for the purchase of new pasteurization equipment. Toro Dairy Cooperative serves as a model and demonstrates what can be achieved by milk producers who own and operate their own business.

Livestock Ranching Societies

The twenty registered cooperative livestock ranches increased their cattle population from 6,000 head valued at \$350,000.00 to over 12,000 head valued at \$850,000.00 during the year ending December 31, 1969. Two thousand four hundred head of pure bred females have been imported from Kenya and placed on these ranches. Plans have been made to establish another twenty-five cooperative ranches during the next two years. The capital required to finance these ranches is supplied by members share capital up to 25% of the development cost. The balance of 75% is obtained through local commercial banks.

Poultry Marketing

A cooperative poultry marketing society has been organized and the committee expects the new plant to be in operation before December 1970. The processing and refrigeration equipment for the new plant was provided by USAID.

CREDIT

The eighth year of cooperative lending to small farmers is drawing to a close. During this eight year period, over 200,000 loans were made to cooperative members for agricultural production. The key to the success of the scheme can be found in member participation and Cooperative Department supervision.

Cooperative Credit Scheme

During the calendar year 1969, 353 loan applications from cooperative societies were made for a 12% increase. As of 31 March 1970, 93 loan applications had been processed compared to 24 at the same time in 1969. This increase can probably be attributed to a more timely and realistic loan timing program rather than a 400% increase in loan applications.

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1969 saw the complete upgrading of the Cooperative Department credit field staff. All credit districts (17) have Assistant Cooperative Officers filling the post of District Credit Specialist. It is interesting to note that districts which received new graduates from Bukalasa Cooperative College for Credit Specialists are among the leaders in loan activity.

Agricultural Credit Advisory Service (ACAS)

Because of the success of the pilot scheme started in 1966, the Agricultural Credit Advisory Services has recently been doubled in scope. An Assistant Agricultural Officer (Credit) has been posted for service with the Cooperative Credit Scheme in eight districts, while an Agricultural Officer (Credit) heads up the section in the Department of Agriculture. Complete staffing of the Service should be realized by the close of 1970.

Under this scheme, agriculturalists work directly with the farmer borrowers to plan and assess their credit needs. After this assessment, field staff supervise the actual use of the credit. If a ratio of one Agricultural Assistant per two credit societies can be achieved and maintained, experience has shown that there will be a definite impact on agricultural production and hence the ability to repay loans promptly.

Education

Twelve of the thirteen USAID financed district cooperative training centers were in operation during the 1969 calendar year. Courses at the Mityana Training Center, the last to be completed, began in February 1970.

Although several of the training centers were not in operating condition for the full year, utilization of these facilities continued to show steady growth and 243 one-week residential courses were attended by 4,843 students for an average of 20 students per course. It appears that the once proposed goal of training 6,000 students per annum by 1970-71 may be realized by the end of this year.

Utilization at several of the training centers has been greatly enhanced by the appointment of two Education Specialists. Currently, such appointments have been made at eight centers, while future plans call for two instructors at all locations. Provisions for a second staff house at each center has also been included.

Cooperative Alliance

Fifteen education secretaries are employed by as many district unions, two on a part-time basis. Other unions have advertised the staff position and it is expected that they shall soon be filled.

Ten vernacular newsletters are now being published monthly which have a total circulation approaching 7,500. Several other education secretaries are planning to start vernacular publications in the near future.

In July 1969 a three day education seminar was held at Mukong DF.I. for all education secretaries. The theme underlying the conference was "The Production of Vernacular Newsletters". In March 1970 a one-week workshop, again for education secretaries, was conducted at the newly constructed cooperative training center at Mityana. The theme of this workshop was the "Communication Process". It introduced

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a variety of communication tools and ideas. The secretaries were directly involved through the process of "learning by doing".

An information officer has been recently appointed to the Alliance staff. His major responsibility is to produce, publish and circulate the "Uganda CO-OP News". This is a publication in English, with a circulation of 3,000 to 4,000 per month.

His other duties include the production of weekly cooperative radio programs and preparation of cooperative news releases for daily publications.

PART I-B - PROJECT EFFECTIVENESS

009 I-B-1 - OUTPUT REPORT AND FORECAST - (See detailed instructions)

1. CODE NO. AID/W USE ONLY	2. This section is designed to record progress toward the achievement of each project output target which was scheduled in the PIP, Part II. Where progress toward a target is significantly greater or less than scheduled, describe reason(s) beneath the target.	3. ACTUAL AND PLANNED OUTPUTS (ALL DATA CUMULATIVE)				6. PROJECTED TOTAL FOR PROJECT LIFE
		3 ACTUAL CUM. TO DATE Before FY	4. AS OF PRIOR JUNE 30 1970		5. PLANNED BY NEXT JUNE 30 1971	
			a. PLANNED	b. ACTUAL		
	<u>COOPERATIVE THRIFT AND CREDIT</u>	70				
	1. Expansion of Coop. Credit Societies (No.)	275	375	375	475	1,000
	2. Expansion of Agr. Credit Advisory Service (ACAS) (No. Societies) Department of Agriculture just started posting staff to the project.	90	125	90	200	700
	3. Expansion of Wage and Salary Earners Thrift and Loan Societies	41	65	45	70	200
	4. Expansion of Rural Thrift Scheme (No.)	65	75	75	90	150
	5. On-the-job Training for Credit Staff (Annual No.) Total Staff 100 - Training is Re-current and Refresher	140	140	140	160	160
	6. Medium Term Loans (No. of Societies)	35	40	40	50	100
	<u>EDUCATION</u>					
	1. Cooperative Training Centers Operating	14	14	14	14	14
	(since 1963)					
	2. Residence Courses at Coop. Training Centers (Annual no.)	1,349	1,390	1,349	1,649	2,900
	3. Committee men trained at centers	8,000	8,000	8,000	11,000	17,000
	4. Secretary managers Trained at Centers	5,116	5,000	5,050	7,000	10,000
	5. Coop. Unions Employing Education Secretaries	18	23	18	23	31
	6. District staff Training Courses (Annual)	3	0	0	15	40
	<u>MANAGEMENT</u>					
	1. Fertilizer Distributed (Metric Tons)	1,500	300	1,500	2,500	6,000
	2. Number of Societies Selling Chemicals	1,300	1,300	1,300	1,400	1,600
	3. Management Seminars/yr.	2	4	2	4	6(annual

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			a. PLANNED	b. ACTUAL		
	<u>MANAGE LRI (cont.)</u>	70				
	4. Unions and Societies using Coop Insurance	17	20	20	75	1,000
	5. Total Volume of Sales (/000 annually)	2,300	2,000	2,300	3,000	10,000
	<u>MINOR CROPS</u>					
	1. Warehouses erected (Union Demonstrations)	8	8	8	8	8
	2. Tons of Minor Crops Bought and Sold	1,000	2,000	1,500	5,000	50,000
	<u>COOPERATIVE LIVESTOCK MARKETING</u>					
	1. Establish Dairy Cooperative Marketing Societies	19	15	19	25	70
	2. Dairy Cooperative Management Courses (annual)	0	1	0	4	6
	3. Develop Coop Livestock Ranches	20	12	20	24	60
	4. Develop Coop Feeds and Supplies Production & Sales Stores	2	3	2	7	20
	5. Establish Regional and National Poultry Coops	1	1	1	2	5
	6. Establish Regional Hides and Skins Marketing Societies	0	0	0	1	4

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012 NARRATIVE FOR PART 1-C-1 (Cont.)2. Expand the Rural Monetary Sector

The promotion of the economic and social development of the common man has occupied the position of greatest importance in governmental policy.

Plans for the reactivation of the Cooperative Bank have been submitted to the Ministry of Marketing and Cooperatives for consideration. An expanded flow of credit through the bank, the IDA tobacco loan, and the expanding thrift scheme, will contribute to growth of the rural monetary sector. Delivery of improved seed varieties and certain farmer production supplies, along with Agricultural Credit Advisory services, all will contribute to growth of the cash sector of the economy.

Uganda's Third Five Year Development Plan is in the process of preparation for implementation in FY 1972. Her greatest wealth lies in her soil, climate and rainfall. To develop these natural resources to their greatest potential will require tremendous inputs of credit into the Agriculture Sector. It is toward this end that the credit section and the credit technicians have aimed their sights.

3. Education

See Part 1B Education

<u>Year</u>	<u>Students</u>	<u>Increase</u>
1965	459	
1966	2,161	370%
1967	2,884	33%
1968	3,456	20%
1969	4,843	40%

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PART I-C - Continued

C.2 - GENERAL QUESTIONS

These questions concern developments since the prior PAR. For each question place "Y" for Yes, "N" for No, or "NA" for Not Applicable in the right hand column. For each question where "Y" is entered, explain briefly in the space below the table.	MARK IN THIS COL.
013 Have there been any significant, unusual or unanticipated results not covered so far in this PAR?	N
014 Have means, conditions or activities other than project measures had a substantial effect on project output or accomplishments?	N
015 Have any problems arisen as the result of advice or action or major contributions to the project by another donor?	N
016 If the answer to 014 or 015 is yes, or for any other reason, is the project now less necessary, unnecessary or subject to modification or earlier termination?	N
017 Have any important lessons, positive or negative, emerged which might have broad applicability?	Y
018 Has this project revealed any requirement for research or new technical aids on which AID/W should take the initiative?	N
019 Do any aspects of the project lend themselves to publicity in newspapers, magazines, television or films in the United States?	N
020 Has there been a lack of effective cooperating country media coverage? (Make sure AID/W has copies of existing coverage.)	N

021 NARRATIVE FOR PART I-C.2 Identify each explanatory note by the number of the entry to which it pertains. (Continue on form AID 1020-25 I as necessary):

017 - One of the best positive lessons learned since the inception of the scheme has come through the training of a solid core of Cooperative Department Credit Specialists. The rank of Credit Specialist has been upgraded to Assistant Cooperative Officer in each District with future plans for further upgrading to Cooperative Officer. The importance of the scheme in the agricultural development of Uganda takes on greater meaning when one realizes that it is the only vehicle through which the mass of the people are able to borrow money to provide capital inputs for the development of cash crops, and hence, the transition from subsistence farming.

Added impetus has come with the organization of an Agricultural Credit Advisory Service (ACAS) requiring close coordination with the extension arm of the Department of Agriculture. This service started on a pilot basis which has now been extended to eight districts, or one-half of the country. In the not too distant future, the scheme will cover the entire country. The basic objectives of the Agricultural Credit Advisory Service are to insure the dynamic use of credit through constant and close supervision of the individual loan holder by a trained corps of agricultural extension agents possessing knowledge of the basic principles involved in agricultural lending. The service is organized in such a way as to make available the expertise of other departments on technical matters such as forestry, animal husbandry, or community development. To coordinate these activities, each District has a District Credit Coordinating Committee which sits monthly. The committee is chaired by the District Cooperative Officer and is attended by the District team of civil servants. In this way, policy can be applied on local terms to meet local conditions.

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PART II - IMPLEMENTATION REPORT

II-A - STATUS OF SCHEDULE

022 A-1 - INDIVIDUAL ACTIONS (See detailed instructions M.O. 1026.1). This is a listing of major actions or steps which were scheduled for physical start or continuing implementation in the reporting period as reflected in the Project Implementation Plan, Part I.

(a) PIP ITEM NO.	MAJOR ACTIONS OR STEPS; CAUSES AND RESULTS OF DELAYS; REMEDIAL STEPS	(b) STATUS - PLACE AN "X" IN, ONE COLUMN		
		(1) BEHIND SCHEDULE	(2) ON SCHEDULE	(3) AHEAD OF SCHEDULE
<u>COOPERATIVE THRIFT AND CREDIT</u>				
1	Expand Ag Credit Advisory Services (ACAS) (Department of Agriculture just now posting staff to project)	X		
2	Increase number and strengthen credit societies		X	
3	Increase number of wage and salary earners Thrift and Loan Societies.		X	
4	Increase number of Farmers Thrift and Loan Societies. (Delay in filling GOU request by AID changing to Regional Project and then back to Bi-lateral)		X	
5	Expand Medium Term Loan Program		X	
6	Initiate Long Term Loan Project (Coop Bank to be capitalized and staffed July 1, 1970)	X		
7	Project Evaluation		X	
<u>COOPERATIVE EDUCATION</u>				
1	Conduct Education Specialists Training Program (Semi Annual)		X	
2	Develop Coordinated Budgets for 13 Training Centers		X	
3	Staff all Centers with trained Asst. Coop Officers		X	
4	Conduct District Staff Training Courses		X	
5	Hold Training Programs for District Union Education Secretaries		X	
<u>COOPERATIVE MANAGEMENT</u>				
1	Initiate Fertilizer and Pesticide Distribution Program		X	
2	Organize Cooperative Management Seminars (Timing is off. Will be held August-October)	X		
3	Establish Cooperative Insurance Program		X	
4	Coordinate Organization and Management of Uganda Central Cooperative Union		X	

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PART II - IMPLEMENTATION REPORT

II-A - STATUS OF SCHEDULE

022 A-1 - INDIVIDUAL ACTIONS (See detailed instructions M.O. 1026.1). This is a listing of major actions or steps which were scheduled for physical start or continuing implementation in the reporting period as reflected in the Project Implementation Plan, Part I.

(a)		(b) STATUS - PLACE AN "X" IN, ONE COLUMN		
		(1) BEHIND SCHEDULE	(2) ON SCHEDULE	(3) AHEAD OF SCHEDULE
	PIP ITEM NO.	MAJOR ACTIONS OR STEPS; CAUSES AND RESULTS OF DELAYS; REMEDIAL STEPS		
		<u>COOPERATIVE LIVESTOCK MARKETING</u>		
	1		X	
	2	X		
	3			X
	4	X		
	5		X	
	6		X	
		<u>MINOR CROPS PRODUCTION AND MARKETING</u>		
	1		X	
	2		X	
		<u>ACTIONS FOR ALL ACTIVITIES</u>		
	1		X	
	2		X	
	3		X	

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PART II - Continued

023

II-A.2 - OVERALL TIMELINESS

In general, project implementation is (place an "X" in one block):

(a) On schedule	X
(b) Ahead of schedule	
(c) Behind schedule	
(1) AID/W Program Approval	
(2) Implementing Agency (Contractor/Participating Agency/Voluntary Agency)	
(3) Technicians	
(4) Participants	
(5) Commodities (non-FFF)	
(6) Cooperating Country	
(7) Commodities (FFF)	
(8) Other (specify):	

BLOCK (c): If marked, place an "X" in any of the blocks one thru eight that apply. This is limited to key aspects of implementation, e.g., timely delivery of commodities, return of participants to assume their project responsibilities, cooperating country funding, arrival of technicians.

II-B - RESOURCE INPUTS

This section appraises the effectiveness of U.S. resource inputs. There follow illustrative lists of factors, grouped under Implementing Agency, Participant Training and Commodities, that might influence the effectiveness of each of these types of project resources. In the blocks after only those factors which significantly affect project accomplishments, write the letter P if effect is positive or satisfactory, or the letter N if effect is negative or less than satisfactory.

1. FACTORS-IMPLEMENTING AGENCY (Contract/Participating Agency/Voluntary Agency)

024	IF NO IMPLEMENTING AGENCY IN THIS PROJECT. PLACE AN "X" IN THIS BLOCK:		032 Quality, comprehensiveness and candor of required reports	p
			033 Promptness of required reports	p
025	Adequacy of technical knowledge	p	034 Adherence to work schedule	p
026	Understanding of project purposes	p	035 Working relations with Americans	p
027	Project planning and management	p	036 Working relations with cooperating country nationals	p
028	Ability to adapt technical knowledge to local situation	p	037 Adaptation to local working and living environment	p
029	Effective use of participant training element	p	038 Home office backstopping and substantive interest	p
030	Ability to train and utilize local staff	p	039 Timely recruiting of qualified technicians	p
031	Adherence to AID administrative and other requirements	p	040 Other (describe):	

2. FACTORS-PARTICIPANT TRAINING

041	IF NO PARTICIPANT ELEMENT IN PROJECT. PLACE AN "X" IN THIS BLOCK:		TRAINING UTILIZATION AND FOLLOW UP	
			052 Appropriateness of original selection	p
	PREDEPARTURE			
042	English language ability	p	053 Relevance of training for present project purposes	p
043	Availability of host country funding	p	054 Appropriateness of post-training placement	p
044	Host country operational considerations (e.g., selection procedures)	p	055 Utility of training regardless of changes in project	p
045	Technical/professional qualifications	p	056 Ability to get meritorious ideas accepted by supervisors	p
046	Quality of technical orientation	p	057 Adequacy of performance	p
047	Quality of general orientation	p	058 Continuance on project	p
048	Participants' collaboration in planning content of program	p	059 Availability of necessary facilities and equipment	p
049	Collaboration by participants' supervisors in planning training	p	060 Mission or contractor follow-up activity	p
050	Participants' availability for training	N	061 Other (describe):	
051	Other (describe):			

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PART II-B - Continued

3. FACTORS-COMMODITIES

PLACE AN "X" IN APPROPRIATE BLOCK:	062 FFF	063 NON-FFF	064 NO COMMODITY ELEMENT		072 Control measures against damage and deterioration in shipment.	P
065 Timeliness of AID/W program approval (i.e., PIO/C, Transfer Authorization).				p	073 Control measures against deterioration in storage.	P
066 Quality of commodities, adherence to specifications, marking.				p	074 Readiness and availability of facilities.	P
067 Timeliness in procurement or reconditioning.				p	075 Appropriateness of use of commodities.	P
068 Timeliness of shipment to port of entry.				p	076 Maintenance and spares support.	
069 Adequacy of port and inland storage facilities.				p	077 Adequacy of property records, accounting and controls.	P
070 Timeliness of shipment from port to site.				p	078 Other (Describe):	
071 Control measures against loss and theft.				p		

Indicate in a concise narrative statement (under the heading a. Overall Implementation Performance, below) your summary appraisal of the status of project implementation, covering both significant achievements and problem areas. This should include any comments about the adequacy of provision of direct hire technicians as well as an overall appraisal of the comments provided under the three headings (b, c & d) which follow. For projects which include a dollar input for generation of local currency to meet local cost requirements, indicate the status of that input (see Detailed Instructions).

Discuss separately (under separate headings b, c & d) the status of Implementing Agency Actions, Participants and Commodities. Where above listed factors are causing significant problems (marked N), describe briefly in the appropriate narrative section: (1) the cause and source of the problem, (2) the consequences of not correcting it, and (3) what corrective action has been taken, called for, or planned by the Mission. Identify each factor discussed by its number.

079 NARRATIVE FOR PART II-B: (After narrative section a. Overall Implementation Performance, below, follow, on form AID 1020-25 I as needed, with the following narrative section headings: b. Implementing Agency, c. Participants, d. Commodities. List all narrative section headings in order. For any headings which are not applicable, mark them as such and follow immediately below with the next narrative section heading.)

a. Overall Implementation Performance.

The project implementation regarding staffing, commodities and participant training has been very close to that which was scheduled last year and for the life of the project.

Provision of two additional staff members under the contract to initiate the Rural Thrift and Loan Societies has not been completed. This important activity which will generate capital by helping to mobilize farmers' savings to help finance crop production was slowed by the decision to place the USAID technicians to be supplied for this work under a regional project. This was later rescinded because the project did not qualify as regional. Therefore, the GOU has had to resubmit their request for this technical assistance and as a result the Contractor has not yet started this activity.

b. Implementing Agency

The Contractor, Agricultural Cooperatives Development International (ACDI) has turned in a good performance during this reporting period. The staff members are all well qualified, hard working and have excellent working relations within the Department of Cooperative Development. Their advice is sought and three are members of committees which are drafting the Cooperative Section of the Uganda 3rd Five-Year Plan.

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039 Timely Recruiting of Qualified Technicians

The position of one Education Advisor was BALPA'd in April 1968. It was reinstated in the FY-70 program budget, but the position was not filled until December 1966. However, six months is not too much of a delay for recruitment and getting the advisor on board.

c. Participants

050 Participants Availability for Training

As mentioned in the same section of last year's PAR it has been difficult for the Ministry to find qualified nominees for degree participant training. Four well-qualified men are now available but they only have a diploma from the Agricultural Cooperative College at Bukalasa, which is not an accredited school. However, the syllabi, the type of training in Cooperative Management that is required, and other explanatory materials have been sent to the AID/W Office of International Training to determine if the participants qualify for upper class standing to study for a B.A. degree.

d. Commodities

Procurement of commodities has been satisfactory. The Department of Cooperative Development is initiating a program for maintenance and spares support to keep U.S. supplied demonstration equipment operable.

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PART III - ROLE OF THE COOPERATING COUNTRY

The following list of illustrative items are to be considered by the evaluator. In the block after only those items which significantly affect project effectiveness, write the letter P if the effect of the item is positive or satisfactory, or the letter N if the effect of the item is negative or less than satisfactory.

SPECIFIC OPERATIONAL FACTORS:	
080 Coordination and cooperation within and between ministries.	N
081 Coordination and cooperation of LDC gov't. with public and private institutions and private enterprise.	N
082 Availability of reliable data for project planning, control and evaluation.	P
083 Competence and/or continuity in executive leadership of project.	P
084 Host country project funding.	P
085 Legislative changes relevant to project purposes.	P
086 Existence and adequacy of a project-related LDC organization.	P
087 Resolution of procedural and bureaucratic problems.	P
088 Availability of LDC physical resource inputs and/or supporting services and facilities.	P
089 Maintenance of facilities and equipment.	P
090 Resolution of tribal, class or caste problems.	P
091 Receptivity to change and innovation.	P
092 Political conditions specific to project.	N
093 Capacity to transform ideas into actions, i.e., ability to implement project plans.	P
094 Intent and/or capacity to sustain and expand the impact of the project after U.S. inputs are terminated.	P
095 Extent of LDC efforts to widen the dissemination of project benefits and services.	P
096 Utilization of trained manpower (e.g., participants, counterpart technicians) in project operations.	P
097 Enforcement of relevant procedures (e.g., newly established tax collection and audit system).	P
098 Other:	
HOST COUNTRY COUNTERPART TECHNICIAN FACTORS:	
099 Level of technical education and/or technical experience.	P
100 Planning and management skills.	P
101 Amount of technician man years available.	P
102 Continuity of staff.	P
103 Willingness to work in rural areas.	P
104 Pay and allowances.	P
105 Other:	

In the space below for narrative provide a succinct discussion and overall appraisal of the quality of country performance related to this project, particularly over the past year. Consider important trends and prospects. See Detailed Instructions for an illustrative list of considerations to be covered.

For only those items marked N include brief statements covering the nature of the problem, its impact on the achievement of project targets (i.e., its importance) and the nature and cost of corrective action taken or planned. Identify each explanatory note.

106 NARRATIVE FOR PART III (Continue on form AID 1020-25 I):

020 Coordination and Cooperation Within and Between Ministries

The activities for qualifying the Milk Collection Centers as Cooperative Societies are running into problems due to the Dairy Industry Corporation (a parastatal organization of the Ministry of Animal Industry, Game and Fisheries) not defining what their role is to be in regulating the milk industry.

Meetings between the management of the Dairy Industry Corporation and the Cooperative Department are to be held early in 1970, to determine policy and work out a program whereby the Dairy Cooperative Societies can lease the facilities of the Dairy Industry Corporation and operate the local cooling centers. This should reduce the overall costs of Government subsidies to the dairy industry, and stimulate the interest of the Societies to assist farmers in expanding their dairy operations.

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PAR CONTINUATION SHEET

This sheet is to be used for any Narrative Sections for which sufficient space has not been provided on the form. Identify each narrative by its Part and Section Designation.

081 Coordination and Cooperation of LDC Gov't with Public and Private Institutions and Private Enterprise

and

092 Political Conditions Specific to Project.

On May 1, 1970, President Obote dropped a bombshell when he declared that nearly all private enterprises were to turn over 60% of their shares to the State. This nationalization action is part of the "move to the left" ideology produced last year by the Uganda Peoples Congress (UPC), the only political party now allowed in Uganda, and the recently published "Common Man's Charter", another UPC production that broadly paints the new government approach for the masses to share in the wealth produced by them. The situation is very unsettled and the management activities of this project which are operated mainly within the Uganda Central Cooperative Union (UCCU) are in a state of flux. The Central Union which was the apex organization of the Cooperative private business movement is being handed 60% of several large companies. It will be an extremely large job for the Union to manage them as the Union does not presently have the experience or staff to cope with such a large increase in responsibilities. The ACDI management specialist is assisting and advising the Central Union in every way possible to properly assume its new responsibilities. The UCCU became a government body on May 1.

087

The UCCU also desires to expand the processing and marketing of Minor Crops; however, this section of their operation is presently at a standstill pending a firm Government policy decision as to whether the Produce Marketing Board will handle all marketing (internal and external), or whether the UCCU will also be allowed to participate in both purchasing and retailing for internal markets. At the present time, only District Unions have been issued licenses as agents of the Produce Marketing Board.

098

A major problem that is plaguing the Cooperative movement is that of cash robberies - both at the District Union level and Society level. Nearly all cash is insured; however, insurance companies are becoming reluctant to insure cash, and if they do, the premiums will be prohibitive. Discussions are continuing on what steps to take to alleviate the situation. Losses are running into millions of shillings and individual armed robberies are involving as much as a half-million shillings each.

104 Pay and Allowances

The Cooperative Department has been upgraded and the Public Service Commission has increased the established positions of the Cooperative Department salary levels up to those of the relative same positions as other Ministries. It will now be easier to recruit and retain qualified staff.

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PART IV - PROGRAMMING IMPLICATIONS

IV-A - EFFECT ON PURPOSE AND DESIGN

Indicate in a brief narrative whether the Mission experience to date with this project and/or changing country circumstances call for some adjustment in project purposes or design, and why, and the approximate cost implications. Cover any of the following considerations or others that may be relevant. (See Detailed Instructions for additional illustrative considerations.) Relevant experience or country situations that were described earlier can simply be referenced. The spelling out of specific changes should be left to the appropriate programming documents, but a brief indication of the type of change contemplated should be given here to clarify the need for change.

For example, changes might be indicated if they would:

1. better achieve program/project purposes;
2. address more critical or higher priority purposes within a goal plan;
3. produce desired results at less cost;
4. give more assurance of lasting institutional development upon U.S. withdrawal.

107 NARRATIVE FOR PART IV-A (Continue on form AID 1020-25 I):

The last PAR explained the need for two Thrift and Loan Advisors to be added to the contractor's staff. Section II.B-079 a. explains the delay. USAID was to provide these men in 1968 and the positions have still not been approved but it is hoped they will be aboard during the second quarter of FY-71.

IV-B - PROPOSED ACTION

108 This project should be (Place an "X" in appropriate block(s)):

1. Continued as presently scheduled in PIP.	
2. Continued with minor changes in the PIP, made at Mission level (not requiring submission of an amended PIP to AID/W).	X
3. Continued with significant changes in the PIP (but not sufficient to require a revised PROP). A formally revised PIP will follow.	
4. Extended beyond its present schedule to (Date): Mo. ___ Day ___ Yr. ___. Explain in narrative, PROP will follow.	
5. Substantively revised. PROP will follow.	
6. Evaluated in depth to determine its effectiveness, future scope, and duration.	
7. Discontinued earlier than presently scheduled. Date recommended for termination: Mo. ___ Day ___ Yr. ___	
8. Other. Explain in narrative.	

109 NARRATIVE FOR PART IV-B:

It is recommended that the funding for the project should be extended through FY-73 and the activities through FY-74 because of the following reasons:

1. The two positions mentioned above have not been filled and work has not started on the thrift and loan activities.
2. Only one education specialist instead of two was working in Uganda for a year and a half.
3. The coop management Chief of Party position was vacant for nine months

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