

PROJECT APPRAISAL REPORT (PAR)

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1. PROJECT NO. 617-15-140-006	2. PAR FOR PERIOD: 5/29/70 TO July 31, 1971	3. COUNTRY UGANDA	4. PAR SERIAL NO. 72-5
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5. PROJECT TITLE
Agricultural Cooperatives

A.I.D.
Reference Center
Room 1636 NS

6. PROJECT DURATION: Began FY 63 Ends FY 73	7. DATE LATEST PROP 12/11/70	8. DATE LATEST PIP May 15, 1971	9. DATE PRIOR PAR 6/70
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10. U.S. FUNDING	a. Cumulative Obligation Thru Prior FY: \$ 2,942,000	b. Current FY Estimated Budget: \$ 383,000	c. Estimated Budget to completion After-Current FY: \$ 3,325,000
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11. KEY ACTION AGENTS (Contractor, Participating Agency or Voluntary Agency)

a. NAME	b. CONTRACT, PASA OR VOL. AG. NO.
Agricultural Cooperative Development International	Contract # AID/csd-2219, Task Order No. 6

I. NEW ACTIONS PROPOSED AND REQUESTED AS A RESULT OF THIS EVALUATION

A. ACTION (X)			B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
USAID	AID/W	HOST		
			<u>Credit Activity</u>	
		X	1. More permanent posting of credit staff	July 1, 1972
		X	2. Increase crop financing	July 1, 1972
			<u>Management Activity</u>	
		X	1. Provide Capital for expansion of farm supply distribution and sales program	July 1, 1972
			<u>Livestock Activity</u>	
		X	1. GOV should now decide and implement a policy for operation of milk collection centers on a Cooperative Society Basis	July 1, 1972
			<u>Education Activity</u>	
		X	1. Department of Cooperative Development (DCD) should assign Cooperative Training Center Instructors for a two year period.	Jan. 1, 1972

D. REPLANNING REQUIRES
REVISED OR NEW: PROP PIP PRO AG PIO/T PIO/C PIO/P

E. DATE OF MISSION REVIEW

PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE
Donald D. Shallow *Donald D. Shallow*

MISSION DIRECTOR: TYPED NAME, SIGNED INITIALS AND DATE
Victor C. Johnson *Victor C. Johnson* 8/24/71

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
1.					X							X
2.												
3.												

Comment on key factors determining rating

B. Because of highly capable professional staff and excellent relations with host nationals, performance of contractor has been very satisfactory; responsiveness to USAID direction has been very good; contractor prepares useful, descriptive reports that can be used for project management.

C. Service provided by contract staff is vital because it is the key element to project implementation.

4. PARTICIPANT TRAINING						X							X
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Comment on key factors determining rating

C. Ugandans trained to occupy strategic positions in GOU Ministries. Out of 34 top level credit officer positions, 28 are filled by U.S. trained Ugandans. Of the 140 participants trained in the U.S. nearly all are officers in the Department of Cooperative Development and hold important positions in a total establishment of 600. ~~Over 60% have been promoted.~~

5. COMMODITIES				X									X
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Comment on key factors determining rating

Only a very limited amount of commodities were required at this stage of the project.

6. COOPERATING COUNTRY	a. PERSONNEL				X									X
	b. OTHER				X						X			

Comment on key factors determining rating

B.(a) Lack of continuity of staff postings and prolonged vacancies has disrupted ability to implement project in some areas.

B.(b) Insufficient crop finance funds to purchase farmers crops at time of delivery

7. OTHER DONORS					X									
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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

This rating is determined in terms of World Bank loan. Two other donors - U.K. and A.C.O.S.C.A. - have performed satisfactorily and have an average rating in relationship to plan and importance to project purpose.

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					
		CUMULATIVE PRIOR FY	CURRENT FY ⁷¹		FY <u>72</u>	FY <u>73</u>	END OF PROJECT
			TO DATE	TO END			
Credit Sub Activity	PLANNED	25	25	50	60	60	60
	ACTUAL PERFORMANCE	25	25				
	REPLANNED			-	-	-	-
Trained MAFC staff who have successfully completed special course in modern credit principles and procedures used and on the job	PLANNED	34	34	34	37	40	40
	ACTUAL PERFORMANCE	34	34				
	REPLANNED			-	-	-	-
Primary society members aware of credit and loan procedures.	PLANNED	37,000	40,000	43,000	50,000	60,000	60,000
	ACTUAL PERFORMANCE	37,000	40,000				
	REPLANNED			-	-	-	-
Officers and Secretary Mgrs. of Societies and District Unions possessing operational skills in credit management and on the job.	PLANNED	3,700	4,000	4,300	5,000	6,000	6,000
	ACTUAL PERFORMANCE	3,700	4,000				
	REPLANNED			-	-	-	-
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	COMMENT:						
1. Establishment of policies and organization for Agricultural Credit Advisory Services.	Necessary memoranda have been issued by Ministry for policies and organization. Posts have been established in MAFC staffing pattern. Coordination between Agriculture and Co-ops Depts. has been excellent.						
2.	COMMENT:						
3.	COMMENT:						

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

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III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS Credit Sub-Activity		TARGETS (Percentage/Rate/Amount)					
		CUMU- LATIVE PRIOR FY	CURRENT FY 71		FY 72	FY 73	END OF PROJECT
			TO DATE	TO END			
GOV Ag Extension Officers knowledgeable about supervised farm credit principles and procedures and on the job.	PLANNED	5	40	40	100	165	165
	ACTUAL PERFORMANCE	5	43				
	REPLANNED			-	-	-	-
Chartering, funding and staffed of Co-operative Bank.	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED			-	-	-	-
Funding/senior staff	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED			-	-	-	-
GOV Savings and Credit staff on the job trained to implement Rural Savings Scheme.	PLANNED	0	1	20	25	25	25
	ACTUAL PERFORMANCE	0	1				
	REPLANNED			-	-	-	-
Credit Operations Manual developed and distributed to Co-op Officers and Society Secretary Managers	PLANNED	500	500	5000	6,300	7,300	7,300
	ACTUAL PERFORMANCE	0	1,230				
	REPLANNED			1,230	-	-	-
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS		COMMENT:					
Credit Training curriculum and courses developed.		Total planned is 4 curricula and syllabi. All curricula and syllabi developed and in use. Experience indicates they satisfactorily meet training requirements.					
2.		COMMENT:					
3.		COMMENT:					

Management Sub Activity

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged.

2. Same as in PROP? YES N

To improve the Capability of Management of personnel at the Uganda Cooperative Central Union (UCCU) for planning, organizing, coordinating, controlling, and directing.

Continuation Page 2

B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
1. A network of cooperatively owned farm supply distribution and sales outlets to District Union and society level has been established to provide agricultural production inputs for farmers and cooperative processing units. 2. All types of insurance coverage will be available to individual and organization members of the 600,000 strong Uganda Cooperative Movement.	1. Gross sales for FY 70 by the UCCU to the District Unions for crop processing supplies and spare parts was \$2,800,000. A demonstration farm supply shop was established in Kampala as a model for farm supply stores at district and county level. 2. The UCCU has a five member Insurance Dept. of whom two were trained in the U.S. In addition to servicing the insurance needs of 35 Coop organizations they are writing all types of coverage for several commercial organizations and private individuals, Premiums amount to \$370,000.

V. PROGRAMMING GOAL

A. Statement of Programming Goal

Same as all Sub Activities

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.

Same as all Sub Activities

Education Sub Activity

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged.

2. Same as in PROP? YES NO

To assist Cooperative, Societies, Unions and the Department of Cooperative Development (DCD) in training and educating members and staff for improved capability.

Continuation Page 4

B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
<p>1. Fourteen Coop Training Centers fully staffed with trained teachers using larger selection of improved standardized courses.</p> <p>2. Twenty three District Unions employ secretaries with the assistance of the Cooperative Alliance and are conducting one day classes for Cooperative Society members throughout Uganda</p>	<p>1. During 1970 there were 29 residential courses attended by 5838 students. COU provided \$120,000 (840,000 Shs.) for expanding facilities at 10 Centers. Twenty eight instructors attended a educational seminar to improve teaching capability.</p> <p>2. Fourteen District Unions have full time Education Secretaries, six others have part time. During 1970 there were 407 one day courses attended by 24,987 members.</p>

V. PROGRAMMING GOAL

A. Statement of Programming Goal

Same as other sub activities

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.

Same as other sub activities

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS Management Sub Activity		TARGETS (Percentage/Rate/Amount)					
		CUMU- LATIVE PRIOR FY	CURRENT FY 72		FY 73	FY ____	END OF PROJECT
			TO DATE	TO END			
UCCU Fertilizer Distributed Annually (metric tons)	PLANNED	4000	2000	6000	9000		20,000
	ACTUAL PERFORM- ANCE	4000	2000				
	REPLANNED						
Number of local Societies Selling Chemicals	PLANNED	400	410	500	700		
	ACTUAL PERFORM- ANCE	400	410				
	REPLANNED						
Management Seminars Held Annually	PLANNED	1	1	1	1		2
	ACTUAL PERFORM- ANCE	1	1				
	REPLANNED						
District Unions Using Coop Insurance	PLANNED	17	19	22	35		
	ACTUAL PERFORM- ANCE	17	19				
	REPLANNED						
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS		COMMENT:					
1. Sales and Distribution Network for Agricultural Production Inputs		G.O.U. is aware that inputs required by farmers have not been available and are developing a system through Cooperatives to provide farm supplies throughout Uganda					
2. Insurance Program showing Profit		COMMENT: Central Cooperative Union insurance program established in 1968 is growing and has support of G.O.U.					
3.		COMMENT:					

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					
		CUMU- LATIVE PRIOR FY	CURRENT FY ⁷²		FY ⁷³	FY _____	END OF PROJECT
			TO DATE	TO END			
Livestock Marketing							
Number of Coop Livestock Ranches Increased	PLANNED	18	25	35	40		40
	ACTUAL PERFORM- ANCE	25	25				
	REPLANNED						
Animal Units on Coop Livestock Ranches	PLANNED	17,000	20,000	30,000	50,000		50,000
	ACTUAL PERFORM- ANCE	20,000	20,000				
	REPLANNED						
Poultry Cooperatives Pounds Meat Monthly (000) pounds	PLANNED	60	80	80	100		100
	ACTUAL PERFORM- ANCE	60	80				
	REPLANNED						
Volume eggs monthly (000) dozens	PLANNED	25	25	50	100		100
	ACTUAL PERFORM- ANCE	25	25				
	REPLANNED						
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS		COMMENT:					
1. The Cooperative Livestock Marketing enterprises are making profits		The fact that the Cooperative enterprises are making a profit should indicate that they were established on sound business principles and are being operated and managed properly					
2.		COMMENT:					
3.		COMMENT:					

Livestock Marketing Sub Activity

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IV. PROJECT PURPOSE

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

Establish a Cooperative Livestock Production and Marketing Program.

Continuation Page 3

<p>B. 1. Conditions which will exist when above purpose is achieved.</p> <p>1. Cooperative Production and marketing facilities for beef, poultry, and milk are in operation and estimated to be making a profit.</p>	<p>2. Evidence to date of progress toward these conditions.</p> <p>1. A Poultry processing cooperative consisting of 120 members and marketing 4,000 birds per week is in operation.</p> <p>2. The 25 Coop beef production ranches with 20,000 head of cattle are selling animals for slaughter and upgrading herds.</p> <p>3. Five Cooperative Milk Collection Centers and Fort Portal complete processing center in operation and making profit.</p>
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V. PROGRAMMING GOAL

A. Statement of Programming Goal

Same as other Sub Activities

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.

Same as other Sub Activities

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

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III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					END OF PROJECT
		CUMU- LATIVE PRIOR FY	CURRENT FY 72		FY 73	FY ____	
			TO DATE	TO END			
Education Sub Activity							
Uganda Cooperative Alliance Organizes and implements District Cooperative Education Committees	PLANNED	4	6	10	15		15
	ACTUAL PERFORM- ANCE	4	6				
	REPLANNED						
District Unions Employing Education Secretaries	PLANNED	16	16	21	23		23
	ACTUAL PERFORM- ANCE	14	16				
	REPLANNED						
Number of one week residential courses at 14 training centers annually	PLANNED	336	NA	350	375		375
	ACTUAL PERFORM- ANCE	290					
	REPLANNED						
Cooperative Personnel trained at one week residential courses	PLANNED	5,200	NA	5,500	6,000		6,000
	ACTUAL PERFORM- ANCE	5,400					
	REPLANNED						
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	COMMENT:						
The training centers completed with two instructors full time and much improved curriculum	The GOU is expanding facilities at several training centers to make all units complete with staff housing, class rooms, dorms and dining halls. Uniform, improved and larger varieties of subject matter courses have been introduced and the instructors are resident for two years						
	2.	COMMENT:					
3.	COMMENT:						

Credit Sub Activity

AID 1020-25 (10-7U)	PROJECT NO.	PAR FOR PERIOD:	COUNTRY	PAR SERIAL NO.
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IV. PROJECT PURPOSE

- A. 1. Statement of purpose as currently envisaged.
To increase and strengthen credit-worthy Societies in Uganda so as to make sustained agricultural credit available to the largest number of farmer members of primary societies.
2. Same as in PROP? YES NO

B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
1) 600 agricultural production credit societies	1. 403 are now functional
2) 300 rural savings societies	2. 48 rural savings societies started
3) No more than 10% annual default rate of societies (i.e. loan remains unpaid after subsequent marketing season)	3. 13% now.
4) 90% of total cumulative loans to societies repaid to Bank.	4. 94% cumulative loans repaid to Bank
5) 24 Million shillings in loans outstanding.	5. 11,158,000 Shillings currently
6) 60,000 farmers reached with credit.	6. 35,000 have currently been reached.

~~Project~~

V. PROGRAMMING GOAL

A. Statement of Programming Goal:

To develop a strong cooperative movement in Uganda to assist in the diversification and increase of agricultural production and expand the rural economy.

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.

Newly established cooperative society growing or developing principally livestock, ranching, poultry, tea, tobacco, hides and skins, fish, wood fuel, sugar and vegetables are making significant contribution to the diversification and expansion of the rural economy. Society membership increased from 350,000 to 600,000 and society assets increased from 30 million shillings to 72 million shillings (money and people). Export taxes on agricultural products have increased.