

**AIRGRAM**

**DEPARTMENT OF STATE**

Proj. No. 5200197.4  
PV 5200197 (2)

**UNCLASSIFIED**

CLASSIFICATION

For each address check one ACTION | INFO

DATE REC'D.

*[Handwritten signatures]*

DATE SENT **2-11-71** 159

DISTRIBUTION

ACTION

**LA**

INFO.

**LA**

**LA**

**LA**

**LA**

**LA**

**LA**

**LA**

**GUATEMALA**

**9**

TO - **GUATEMALA CITY AIDTO-A**

**10**

**PD-AAA-908-B1**

FROM - **AID/Washington**

SUBJECT - **Agricultural Development (Human Resource Training)**

REFERENCE - **520-11-190-197.4**

1. The Latin America Bureau PROP Review Panel approved this PROP for the life of the project on February 5, 1971.

2. The Panel suggested that the Mission maintain sufficient flexibility in the human resources training activity of the overall agriculture development project to meet potential requirements for trained people which may be identified in the marketing or production activities of the project.

**ROGERS**

PAGE 1 OF 1 PAGES 1

DRAFTED BY <b>GAM:lla:pga</b>	OFFICE <b>LA/OPNS</b>	PHONE NO. <b>29882</b>	DATE <b>2-5-71</b>	APPROVED BY: <b>LA/DP:JHeller</b>
----------------------------------	--------------------------	---------------------------	-----------------------	--------------------------------------

AID AND OTHER CLEARANCES		
<b>LA/OPNS:HLMyers</b>	<b>LA/DP:FSchraud</b>	<b>LA/CEN:JLockard</b>
<b>LA/DR:DPiester</b>	<b>UNCLASSIFIED</b>	

CLASSIFICATION

RS/PS

20 JAN 1971

A.I.D.  
Reference Center  
Room 2000 MS

NONCAPITAL PROJECT PAPER (PROP)

Country: GUATEMALA Project No. 520-11-190-197.4

Submission Date Jan. 20, 1971 Original x

Project Title: AGRICULTURAL DEVELOPMENT (Human Resource Training)

U.S. Obligation Span: FY 1971 through FY 1975

Physical Implementation Span: FY 71 through FY 75

Gross life-of-project financial requirements:

U.S. dollars	\$ 1,324
U.S.-owned local currency	
Cooperating Country cash contribution	3,350
Other donor	1,200
Total	5,874

Cleared: Rural Dev. Policy Committee, ACohen AC  
Food and Agriculture Officer, Achable AC  
Program Officer, TCox TC

Approved: Acting Director, USAID/G, Harlan A. Harrison HAH

## I. SUMMARY

The 1971-75 Guatemalan Rural Development Plan, partially financed by a \$23 million AID Loan (520-L-018), includes a broad attack on the backward technology and low skill level prevalent in rural Guatemala. The Plan's human resources component has two principal objectives:

1. technical training of small farmers and rural youth groups;
2. formation of technical cadres to implement this and future development plans.

The Ministry of Agriculture's personnel are to be called on for innovative techniques in campesino training, specialized instruction at the secondary education level, increased and improved research efforts, and a new departure in agricultural extension. The latter is a combination of crop-specific technology promotion and credit supervision; it is a key element of the entire Development Plan.

Through the Project proposed herein AID will provide grant support to:

assist the Ministry design its campesino and secondary level training programs and upgrade the personnel occupied in those programs;

provide training for the crop production promoters who form the most important technical cadre for implementation of the Plan;

and assist the Ministry upgrade its research personnel. The Ministry will use its own funds and funds available under Loan 520-L-018 to finance a substantial increase in the availability of professional plant and animal scientists in Guatemala through participant training.

## II. SETTING

The Guatemalan environment in which the Human Resource Training sub-project will take place can be characterized as follows:

1. Guatemala has the lowest literacy rate (estimated 37%) in Central America and the second lowest in Latin America.

2. The rural populace is made up of a high percentage (52%) of Indians who speak a variety of indigenous languages and very little Spanish. Only 25% of the rural population over 7 years of age can be considered as literate.
3. A high percentage of the indigenous population, perhaps 55% live in the Western Highlands, unassimilated into the national economy, and presently unable to contribute significantly to the national economy.
4. An inadequate elementary education system exists in which only 41% of the school age children are enrolled and in which an estimated 55% of the rural first graders fail to go to the second grade. Only 5% of the population seven years and older have finished elementary school.
5. An even more inadequate secondary education system prevails in which only about 10% of the 14-18 year old group attend high school. Only 1% finish secondary education.
6. The principal technical training resource in the agriculture field is the Agricultural Technical Institute (ITA), a secondary level vocational agriculture school. ITA presently graduates approximately 90 per year, and the quality of training provided has been significantly increased through technical assistance furnished by USAID under the recently terminated Agricultural Education project. ITA's output is to reach 110 annually in 1972 as a result of an expansion program financed in part by an IBRD loan for secondary education. The majority of technically trained employees in GOG agricultural agencies are ITA graduates.
7. San Carlos is the only university in the country which provides training in the plant and animal sciences. Its graduates in these fields presently number approximately 110, and in recent years the average number graduating annually has been 18. The Faculty of Veterinary Medicine has been designated a Central American regional faculty and has received assistance through the ROCAP Higher Education Project. The Faculty of Agronomy is receiving technical advisory services through ROCAP to upgrade the first two years of the curriculum.
8. The Ministry of Agriculture has long carried on an extension program, reaching a very limited segment of the rural population. During the past three years the number of small

farmers receiving technical advice through the Ministry has been multiplied through a Mobile Agricultural School, which was established with USAID assistance under the Agricultural Education project (terminated December 31, 1970). This program has provided short term training keyed to crop cycles for 1,445 campesinos, and has reached a much larger number indirectly. Full support of the Mobile Agricultural School has been assumed by the GOG.

9. A large percentage of the university trained personnel employed in GOG agriculture programs owe their training to past AID and other U.S. sponsored projects. Unfortunately many of those trained over the years have been lost to other pursuits as a result of low salaries and other unenlightened policies of government agencies in the past.

Note: The above constitutes a summary of the human resource situation in the agricultural sector. For further detailed information see past program submissions and particularly the Capital Assistance Paper for the \$23 million Rural Development Loan, authorized in FY 1970, and the Development Plan, 1971-1975 of the Guatemalan Government.

### III. STRATEGY

The Capital Assistance Paper for the Rural Development Loan, AID/DLC/B-881, included a comprehensive subproject to develop human resources as a necessary complement to the Loan's production sub-projects. It had two primary foci:

1. technical training of small farmers and rural youth groups;
2. formation of technical cadres to implement this and future rural development plans.

This PROP addresses the priorities laid down in the FY 71 and FY 72 CASPS and Country Field Submissions, particularly in the training of trainers to achieve the multiplier effect so necessary to reach our ultimate objective of alleviating the human predicament of the Guatemalan campesino through a series of agriculture-oriented projects.

A large part of this subproject will be devoted to the training of selected "change agents" who in turn will impart new technology

to about 90,000 small farmers, rural youth recipients, and rural sector organization officials. To the extent possible, this program will be developed concurrently with the Primary Education Loan, in which 50 regional six-grade primary schools will be established in rural Guatemala. The agricultural training activities will be implemented in close collaboration with the rural primary schools which will serve as centers of rural development. In this way, the Rural Development and Primary Education loans will complement each other.

The strategy of the Human Resources Training subproject includes the following broad lines of action:

1. Introduction of innovative developmental procedures in GOG agencies and programs whereby technology transfer can be accomplished rapidly by Guatemalan change agents among massive numbers of small and medium farmers.
2. Institutional modernization of the Ministry of Agriculture and its associated development agencies by providing technical and management guidance during the period of reorganization.
3. Development of special technical and administrative expertise in the areas of basic food grains and agricultural diversification.
4. Continued improvement and strengthening of the Agricultural Technical Institute at Bárcena and the establishment of agricultural vocational education programs at regional high schools in order to expand the availability of technical agricultural personnel.
5. Development of agricultural research personnel in Guatemala.

The GOG will use loan funds and counterpart resources from its own budget to finance professional upgrading of its high-level personnel and participant training at the university level for Guatemalan students of animal and plant sciences.

#### IV. GOAL, TARGETS, END OF PROJECT STATUS

- A. Goal - Successful implementation of the human resources and institutional development aspects of the Guatemalan Rural

**Development Plan 1971-1975, including the AID financed Rural Development Loan (AID Loan 520-L-018).**

**B. Purposes -**

1. To develop the human resources of the Ministry of Agriculture and its associated agencies as required to administer effectively the 1971-75 Rural Development Plan.
2. To prepare the added numbers of qualified technical personnel needed to execute the program successfully.

**C. End-of-Project Status - December 31, 1975**

1. Ministry of Agriculture will be reorganized as shown in Chart No. 2 with the new agencies of DIGESA (training), BANDESA (credit), INDECA (storage and marketing), and INTA (land titling), as major semi-autonomous supporting arms, fully staffed, trained, budgeted, and in operation.
2. Ministry of Agriculture will have established new job descriptions and positions for administrative, technical, promotion, credit, and marketing personnel among its staff of 900 people and will place 100 promotion agents in the field operations of basic food grains and diversified crops during the next five years. Retention of trained personnel will be aided by application of higher salary scales and increased job security resulting from the Civil Service Law now in effect.
3. The total MinAg budget for 1975 will exceed \$16 million.
4. Second Five Year Rural Development Plan will be completed, foreign capital requirements negotiated, human resource pipeline assured.
5. Twenty Guatemalan plant and animal scientists will have received advanced degrees abroad; eighty Guatemalan students will have received university training in agriculture within Guatemala; and 160 Agriculture Ministry personnel will have undertaken professional upgrading.

**OUTPUT TARGETS** (Additional persons placed each calendar year as a result of the Project)

	CY 71	72	73	74	75	Totals
<b>1. Training</b>						
<b><u>Activity</u></b>						
1. Trained Basic Grains & Diversification Production Promotion Agents assigned and working full time	59	16	15	10	-	100
2. Trained Instructors for campesino vocational training programs assigned and working (a) full time (b) part time <u>1/</u>	(a) 12 (b) 50	12 25	12 25	- 20	- 30	36 150
3. Trained volunteer Rural Youth Leaders working in farm communities	200	266	334	400	467	1,667
4. Trained vocational agriculture instructors working full time in secondary-level educational programs	9	8	8	8	8	41
5. Trained Research Technicians assigned and back-stopped with investigation facilities	15	6	5	5	5	36
6. Professionally upgraded <u>2/</u> full-time Ministry personnel	60	37	17	17	14	145
7. Guatemalan university students enrolled full-time in agriculture or veterinary sciences curricula <u>2/</u>	15	15	15	15	15	75
8. Guatemalan plant and animal scientists returned with Masters Degree <u>2/</u>	5	5	5	5	5	25

1/ Refers to extension agents, research and other Ministry personnel who will have received special guidance prior to their occasional participation in campesino training programs.

2/ Financed by AID Loan funds and by GOG budget resources.

V. COURSE OF ACTION

A. CY 1971

1. First priority during CY 1971 will be the pre-service training of basic grains and diversification crop promoters and promotion supervisors who must be ready to begin work before AID loan funds for campesino production credit can begin to flow through BANDESA, the new agricultural credit agency. This will be accomplished by the Ministry of Agriculture with the guidance of consultants financed by USAID during the first quarter. Concurrently contract advisory services will be provided on a long term basis to assist the I.T.A. in expanding its secondary vocational agriculture training and to increase the Ministry's capacity to provide training to campesinos and rural youth and other organizations.
2. In order to make effective use of AID and GOG funds available under the loan program for university level training, the new education and training organization of the Ministry must be activated, prepare a training plan, and develop procedures for administration of its program. USAID personnel will advise the Guatemalan organization, enabling it to benefit from AID's long experience in the administration of similar programs. Within the university training program it is expected that top priority will be given to urgently needed research personnel. Once these and other key technical staff have been selected and arrangements made for their admission to universities, attention will be given to courses for upgrading other professional personnel with particular emphasis on management skills.
3. As of the date of this submission most of the required legislation has been passed and internal organization and procedures developed for reorganization of the Ministry and creation of its specialized, semi-autonomous agencies. Adequately trained personnel will not be available to fill many of the new positions and action to meet these needs must be taken as rapidly as possible.
4. USAID will finance contract advisory services, to begin in April, 1971, to assist in the evaluation of operations of crop promoters, supervisors, and credit agents in connection with the first round of crop loans. Based

on this evaluation the contractor will assist in planning and implementation of in-service training. If feasible the contract will include provision for collection of baseline data and design, with the Ministry, of an evaluation system for production and credit aspects of the five year Rural Development Program.

5. Implementation of the IBRD financed physical expansion program at I.T.A. should begin in 1971. Though enrollment has already been increased, this will not immediately affect the number of trained personnel available for the Rural Development Program.

B. CY 1972

1. In-service training at all levels will be continued and stepped up as the education and training organization gains experience and develops its resources. Extension of the contract (see A. 4, above) for advisory and evaluation assistance financed by USAID in 1971 will be required. Further pre-service training for new promoters will be included. If it has not been possible to activate the Credit sub-project (197.2), USAID will endeavor to incorporate a high level agricultural banking advisor (an outstanding Latin American would probably be most acceptable to the GOG, which has shown some reluctance to accept advisory services to BANDESA) in the extension of the contract. Some consultant services in the banking field might also be financed.
2. Some of the key personnel enrolled in universities in 1971 will be returning. There will probably be a "shaking down" period in the newly formed agencies after their first year of activity. There will be problems in assimilating the personnel returning from training and perhaps some loss of qualified and experienced people who have run afoul of the internal politics in their agencies. This will necessitate additional training.
3. Construction should be underway at the I.T.A., and USAID financed advisory services will be continued to assist in the faculty expansion program and continued improvement of laboratory and field procedures and teaching aids. The contract extension will be financed in FY 1971.

4. The first of the regional schools financed by the AID Primary Education Loan will begin to function and procedures developed through the grant funded pilot program (project 198.1) will be put into effect to assure effective coordination with activities of the Agriculture Ministry.

C. CY 1973 - CY 1975

The tempo of activity in the Rural Development Program should be picking up in 1973 and continue to increase through 1975, while technical assistance requirements decrease. As immediate training needs are met and the trained personnel demonstrate their capabilities some will be selected for further preparation to participate in the planning of the program for the following five years. It is important that the adjustments which will probably be required in the new institutional structure be accomplished by early 1973 to prevent their becoming an issue in the election year of 1974. The higher technical and administrative positions within the protection of the Civil Service Law should be filled by qualified people to assure a degree of continuity following the change of administrations. The expanding budget of the Ministry will permit absorption of many of the increased number of graduates from ITA during the mid 1970's and some earlier graduates will be progressing toward degrees from the University under Ministry sponsorship. Technical assistance to the ITA can probably be phased out by the end of 1973, unless further expansion of secondary agricultural training is undertaken. During 1975 and perhaps in 1974 grant funds will probably be committed under this and/or other sub-projects for consultant services required to assist the GOG in carrying out studies leading to further agricultural sector lending in FY 1975 or 1976.

VI. FUNDING REQUIREMENTS - FY 1971

A. Direct Costs

Personnel - none

Participants - 7; 84 mos. \$ 25,000

Commodities - none

Other Costs - Invitational travel and TDY (\$10,000); local and TCN consulting services for field agent training to be obtained by GOG (\$37,000) \$ 47,000

B. Contracts

1) Cal. State Polytechnic College - campesino and secondary level agricultural training \$125,000

Contract through 12/31/71 (12 mos.)  
2 full-time technicians (24 m/m); up to  
6 consultants (6 m/m)

2) New Contract - training of field agents and supervisors; evaluation of basic grains and diversification programs \$259,000

Contract through 9/30/72 (18 mos.)  
Up to 15 technicians (110 m/m)

3) PSC (Grantee) - training consultant Contract through 3/31/71 (4 weeks) \$ 3,000  
1 technician (1½ m/m)

C. FY 71 Total Cost \$459,000

FY 1972A. Direct Costs

Personnel - none

Participants - none

Commodities - none

Other Costs - Invitational travel and TDY \$ 10,000

B. Contracts1) Cal. State Polytechnic College - continue  
as in FY 71 \$110,000Contract through 12/31/72 (12 mos.)  
2 full-time technicians (24 m/m); up to  
4 consultants (4 m/m)2) Training/Evaluation Contract - continue  
as in FY 71 \$175,000Contract through 9/30/73 (12 mos.)  
Up to 15 technicians (75 m/m)3) Research Advisor - training of research  
personnel \$ 55,000Contract through 3/31/73 (12 mos.)  
1 full-time technician (12 m/m)C. FY 72 Total Cost \$350,000

Table 1  
 Page 1 of 2  
 COMMENT:

A-1

NONHOSPITAL PROJECT TRAINING (OBLIGATIONS \$000)

PROP DATE 1/19/71  
 Original  
 Project No. 197.4

Project Title: Health Service Training

Fiscal Year	App. LTR	Total	Non-Add	Participants U.S. Ags.	Commodities		Other Costs	
					Dir. U.S. Ags.	CONT	Dir & U.S. Ags.	CONT
				25	-	-	-	46
				-	-	-	-	10
				-	-	-	-	5
				-	-	-	-	5
				100	-	-	-	5
				-	-	-	-	-
<b>Total Life</b>	G	1,324	1,228	25	-	-	-	71

1/ Memorandum (nonadd) column

Donor Rest-  
 Comptroller  
 Operations  
 Country 1/  
 Other  
 Donor  
 Funds 2/  
 (Equiv)

Food for Freedom Commodities

Metric Tons (000)	CCC Value & Freight (\$000)	World Market Price (\$000)
-------------------------	--------------------------------------	-------------------------------------

Prior  
 Through  
 Oct FY 70

Oper.  
 FY 71

650

Budg.  
 FY 72

550

500

B + 1  
 FY 73

650

700

B + 2  
 FY 74

700

B + 3  
 FY 75

800

All  
 Subs.

-

Total  
 Life

3,350

1/ Counterpart funds AID Loan 520-L-018

2/ IBRD secondary education loan