AID-1020-25 (10-70)

PD-AAB-329-F1

526-~~623~~-4

REPORT U-446

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PROJECT APPRAISAL REPORT (PAR) 5260102 - (4) 4p.

1. PROJECT NO.	2. PAR FOR PERIOD:	3. COUNTRY	4. PAR SERIAL NO.
526-15-110-050.4	5/26/72 TO 10/31/73	PARAGUAY	74-6

5. PROJECT TITLE

MARKETING/SERVICES COOPERATIVES

6. PROJECT * DURATION: Began FY 1972 Ends FY 1975	7. DATE LATEST PROP 1/17/72	8. DATE LATEST PIP -	9. DATE PRIOR PAR -

10. U.S. FUNDING	a. Cumulative Obligation Thru Prior FY: $153,000	b. Current FY Estimated Budget: $ 60,000	c. Estimated Budget to completion After Current FY: $ *

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

a. NAME	b. CONTRACT, PASA OR VOL. AG. NO.
Agricultural Cooperative Development International	AID-526-305

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

A. ACTION (X) USAID	AID/W	HOST	B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
X		X	1. Complete the joint CREDICOOP/UNIPACO workplan.	Dec. 31, 1973
X		X	2. Determine future project training needs.	Jan. 31, 1974
X		X	3. Develop a capability within UNIPACO to obtain statistical data on project progress on a continuing basis.	March 31, 1974
X		X	4. Ensure that UNIPACO contracts a qualified staff member to provide advisory services to member cooperatives in management and financial administration.	March 31, 1974
X			5. Monitor the actions of the Dirección General de Cooperativismo (DGC) of the Ministry of Agriculture to identify and eliminate bottlenecks as they occur and to encourage and assist the DGC in its technical assistance activities.	Continuing

* Project implementation began in August 1972 and will extend through March 31, 1975 with FY 1974 funding. However, a revised PROP to be submitted in April 1974 will call for project expansion and extension.

D. REPLANNING REQUIRED

REVISED OR NEW: [X] PROP [X] PIP [ ] PRO AG [ ] PIO/T [ ] PIO/C [ ] PIO/P

E. DATE OF MISSION REVIEW: November 28, 1973

PROJECT MANAGER: TYPED NAME, SIGNATURE, INITIALS AND DATE	MISSION DIRECTOR: TYPED NAME, SIGNATURE, INITIALS AND DATE
William P. Schoux (Acting) WP Schoux	Oliver L. Krause Oliver L. Krause
3 Dec 1973	3 Dec 1973

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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: UNSATISFACTORY 1	2	SATISFACTORY 3	4	5	OUTSTANDING 6	7	C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X): LOW 1	2	MEDIUM 3	4	HIGH 5
1. Agricultural Cooperative Development International (ACDI)					X							X
2.												
3.												

Comment on key factors determining rating

a) The contract advisor has been successful in assisting UNIPACO to develop a marketing program and to initiate a farm supply service. Unexpectedly fast progress resulted from his ability to advise UNIPACO to take advantage of favorable market conditions in soybeans and cotton, which contributed significantly to UNIPACO's experience and to an improvement in its financial position. The technical qualifications of the contract advisor and his relations with host country nationals are rated as superior. b) There has been little progress in the training of cooperative management; greater use of in-country training is needed. c) Some project shortfalls are attributable to insufficient contract staffing. The provision of only one contract Advisor has proven inadequate to UNIPACO's increasing needs for technical assistance. A second advisor will be recruited during CY 1974.

4. PARTICIPANT TRAINING	1	2	3	4	5	6	7	1	2	3	4	5
			X							X		

Comment on key factors determining rating

To date, two long term participants have been trained under the project, both in grain handling. Both are members of one of UNIPACO's member cooperatives and are scheduled to return in December 1973. The project has been slow in determining other training needs.

5. COMMODITIES	1	2	3	4	5	6	7	1	2	3	4	5
			X								X	

Comment on key factors determining rating

$30,000 and $23,000 were obligated for commodities during FY 1972 and FY 1973, respectively. They include a vehicle, silo equipment, a radio communications system, grain handling equipment and office supplies. Due to delays in requisitioning, none of the commodities ordered have yet arrived.

6. COOPERATING COUNTRY	1	2	3	4	5	6	7	1	2	3	4	5
a. PERSONNEL			X1	X2							X1	X2
b. OTHER		X1		X2							X1	X2

Comment on key factors determining rating

GOP - X1: Although project efforts are directed primarily toward the private sector, cooperation from the DGC is important, as this agency is responsible for granting legal charters to cooperative organizations and for providing certain types of technical assistance to cooperatives. The DGC has been cooperative, but has not effectively carried out its responsibilities of assisting cooperatives in organization, management and accounting matters. Moreover, the DGC has been slow in granting legal charters to UNIPACO (8 months) and its member cooperatives.

UNIPACO - X2: UNIPACO has been successful in its marketing activities, but only recently initiated sales of supplies. An expansion of UNIPACO membership is required.

7. OTHER DONORS	1	2	3	4	5	6	7	1	2	3	4	5

(See Next Page for Comments on Other Donors)

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

There are no other donors.

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount) 1/					
		CUMULATIVE PRIOR FY	CURRENT ~~XX~~ 73 TO DATE	CURRENT ~~XX~~ 73 TO END	~~XX~~ 74	FY____	END OF PROJECT
Value of agricultural products marketed through UNIPACO. ($000)	PLANNED	350		600	1,100		
	ACTUAL PERFORMANCE	222	1,776 2/				
	REPLANNED			3/	3/		
Value of agricultural inputs and equipment handled. ($000)	PLANNED	0		7	12		
	ACTUAL PERFORMANCE	0	25				
	REPLANNED			3/	3/		
Number of cooperative administrators and managers trained in the U.S. and 3rd countries	PLANNED	0	0	3	3		
	ACTUAL PERFORMANCE	0	0				
	REPLANNED			3/	3/		
Total number of cooperatives/membership.	PLANNED	33/2500		47/4000	60/6000		
	ACTUAL PERFORMANCE	16/1890 4/	20 5/				
	REPLANNED			3/	3/		

B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	COMMENT:
1.	
2.	
3.	

1/ All data are for Calendar Years.
2/ Through September 30, 1973.
3/ To be replanned in a revised PROP.
4/ As of December 31, 1971.
5/ No current data are available on the number of members.

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged.

2. Same as in PROP? ☐ YES ☒ NO

To develop an institutionalized system of marketing/services cooperatives, including a viable central.

B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
1. UNIPACO has become a well established institution with a solid financial position. a. Self-owned buildings and facilities for grain handling and processing, a central warehouse and offices. b. Operations generate sufficient income to cover expenses. c. Adequate reserves to cover contingencies.	1. UNIPACO's main source of working capital is borrowings from local banks. UNIPACO has applied for a $1,000,000 loan from USAID to finance the construction of facilities (grain terminal, feed manufacturing plant, fertilizer blending plant, cotton processing plant, offices and warehouse) and the purchase of equipment for each of the facilities. These facilities would give them collateral for larger borrowings. Net earnings during the period January 1 through August 31, 1973 amounted to the equivalent of $59,000. Cumulative reserves established in accordance with Cooperative Law 349, totaled the equivalent of $1,239 as of December 31, 1972.
2. Increased production by member cooperatives. 73 / 74 Corn (k/ha) 1,200 / 1,968 Soybeans (k/ha) 1,500 / 2,000	2. Data on production of cooperative members were not available during the time of this evaluation.
3. Increased land cultivated. 73 / 74 Total hectares: 15,000 / 25,000	3. Idem

V. PROGRAMMING GOAL

A. Statement of Programming Goal

Increased income of cooperative members from increased output and decreased cost of inputs.

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.

Insufficient data were available during the time of this evaluation to assess adequately the relationship between achievement of the project purpose and achievement of the goal. Information will be gathered by means of a sample survey currently being designed and sponsored by USAID/P.

The present PROP was prepared by people that were not fully familiar with Marketing/Services cooperatives; therefore, the necessary data base for evaluation has not been developed. Certain targets were unrealistically high while others were too low. A revised PROP is required.