NONCAPITAL PROJECT PAPER (PP )

PROJECT IDENTIFICATION

Proj. 526-104

Proj. 5260104

PD- 5260104 - (3)

AGRICULTURAL PLANNING AND STATISTICS

PD-AAB-336-D1

526-15-110-[illegible]5

| 3. RECIPIENT (specify) | 4. LIFE OF PROJECT | 5. SUBMISSION |
|---|---|---|
| [X] COUNTRY PARAGUAY | BEGINS FY 1975 | [X] ORIGINAL 20 Jan. 1975 DATE |
| [ ] REGIONAL ____ [ ] INTERREGIONAL ____ | ENDS FY 1977 | [ ] REV. NO. ____ DATE |
| | | CONTR./PASA NO. ____ |

II. FUNDING ($000) AND MAN MONTHS (MM) REQUIREMENTS

| A. FUNDING BY FISCAL YEAR | B. TOTAL $ | C. PERSONNEL (1) $ | C. PERSONNEL (2) MM | D. PARTICIPANTS (1) $ | D. PARTICIPANTS (2) MM | E. COMMODITIES $ | F. OTHER COSTS $ | G. PASA/CONTR. (1) $ | G. PASA/CONTR. (2) MM | H. LOCAL EXCHANGE CURRENCY RATE: $ US ____ (U.S. OWNED) (1) U.S. GRANT LOAN | (2) COOP COUNTRY (A) JOINT | (2) COOP COUNTRY (B) BUDGET |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. PRIOR THRU ACTUAL FY | | | | | | | | | | | | |
| 2. OPRN FY 75 | 124 | 86 | 22 | 8 | 8 | 3 | 27 | 86 | 22 | | | 78 |
| 3. BUDGET FY 76 | 161 | 97 | 18 | 26 | 24 | 8 | 30 | 97 | 18 | | | 84 |
| 4. BUDGET +1 FY 77 | 56 | 26 | 6 | 28 | 24 | | 2 | 26 | 6 | | | 90 |
| 5. BUDGET +2 FY | | | | | | | | | | | | |
| 6. BUDGET +3 FY | | | | | | | | | | | | |
| 7. ALL SUBQ. FY | | | | | | | | | | | | |
| 8. GRAND TOTAL | 341 | 209 | 46 | 62 | 56 | 11 | 59 | 209 | 46 | | | 252 |

9. OTHER DONOR CONTRIBUTIONS

| (A) NAME OF DONOR | (B) KIND OF GOODS/SERVICES | (C) AMOUNT |
|---|---|---|
| | | |

III. ORIGINATING OFFICE CLEARANCE

| | | |
|---|---|---|
| 1. DRAFTER RMiller / SWhite | TITLE POE/RDO | DATE 1/20/75 |
| 2. CLEARANCE OFFICER JHClary / OLSause | TITLE APO/DIR | DATE 1/20/75 |

IV. PROJECT AUTHORIZATION

1. CONDITIONS OF APPROVAL

2. CLEARANCES

| BUR/OFF | SIGNATURE | DATE | BUR/OFF | SIGNATURE | DATE |
|---|---|---|---|---|---|
| LA/DR | Richard M. Seifert | 4/4/75 | GC/LA | Irwin Levy | 4/3/75 |
| LA/DR | Marshall D. Brown | | LA/MRSD | Donor Lion | 4/5/75 |
| LA/DR | Barry Sidman | | LA/OPNS | Cecil Uyehara | |
| LA/DR | Carl Vandaeffen | 4/4/75 | PPC/DPRE | Arthur Handly | 4/10/75 |
| LA/DP | Lawrence Harrison | 4/10/75 | | | |
| LA/APU | Patricia Matheson | 4/11/75 | | | |

3. APPROVAL AA's OR OFFICE DIRECTORS

| SIGNATURE | DATE |
|---|---|
| Herman Kleine | 4/11/75 |

TITLE: Assistant Administrator for Latin America

4. APPROVAL A.I.D. (See H.O. 1025.1 VI C)

| SIGNATURE | DATE |
|---|---|
| | |

ADMINISTRATOR, AGENCY FOR INTERNATIONAL DEVELOPMENT

A. PROJECT DESCRIPTION AND HISTORY

A Technical Unit (Gabinete Técnico) was established on January 6, 1975, under the office of the Minister of Agriculture to take over the highest level planning and policy functions within the Ministry of Agriculture (MAG). Prior to the establishment of this Unit, the present Minister incorporated a Planning and Budget Unit in 1970 into the then newly organized Secretariat of Technical Coordination (SCT). The Department of Census and Agriculture Statistics was also included under the same office. When a Mission advisor in planning arrived late in 1970, he found that the only planning being carried on in the SCT was under PIDAP 1/, and most of it was annual work plans.

Planning and policy work has not been developed under SCT, in part for lack of trained personnel, but also because the Executive Secretary has been too busy with PIDAP to give much attention to planning or to statistics. Although budget work has continued, and agricultural statistics have improved and expanded under the technical guidance and support of the A.I.D. Mission, still very little has been done in planning. In addition the Minister was not sold by the theoretical and superficial planning that had been accomplished.

Nevertheless, the Minister has created the Technical Unit as an staff unit at the highest level of the Ministry. We believe that his decision places the planning function at a useful operation level in the MAG. The creation of the Technical Unit at this time is consistent with the decision made jointly between MAG and the Mission to develop a competence in planning and policy. Four young technicians were selected for graduate training in agricultural economics (planning and economic analysis) at the Masters level in the U.S.A. under the Agricultural Institutional Development Project FY 1970-1974. Three of these have now returned and two have been incorporated into the Technical Unit with the third assigned part time.

The present project provides funding for a long-term consultant to advise the Technical Unit and for a portion of the costs of the small farmer sub-sector assessment which is being prepared jointly by the Mission and the Technical Unit. 2/

Statistical activities in the MAG were originally conducted by a small poorly staffed division (9 personnel) under the Marketing Department and the main activities were limited to poorly conducted agricultural censuses. With the assistance of a

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1/ PIDAP stands for Integrated Agricultural Development Program, a $14.7 million BID loan to MAG for the purpose of increasing production and productivity of Paraguayan agricultural sector through the improvement and expansion of the basic technical and credit services needed by the small and medium size farmers.

2/ The Mission is preparing two subsector assessments: One on livestock and the other on small farmers. The livestock subsector assessment has been prepared largely by the New Mexico State University team and is nearly completed. The small farmer subsector assessment is in preparation as a joint effort by the Mission and the MAG Technical Unit.

USDA statistics advisor, the first annual national sample survey was undertaken in 1970 with production estimates for 9 crops plus livestock inventory. The survey presently provides production estimates for 19 crops and for livestock inventory and forecasting of planted acreage for 4 crops. Annual crop forecasting surveys were initiated in 1971 for 5 crops. At present this covers 6 crops.

USAID's assistance, through the Agricultural Institutional Development Project and P.L. 480 funds, concentrated in training key personnel (7 short term plus 1 M.S. trained in the U.S., and 6 short term trained in third countries), necessary office equipment, transportation facilities were provided to the MAG to improve its statistical capabilities. Furthermore, the statistical office was upgraded to Department level and placed under the SCT. It has a current staff of 19 permanent employees plus 7 part time employees. MAG's funding, both timing and amount, has been the biggest problem encountered in the project. However, MAG has included adequate funding in its 1975 budget to fulfill the needs of the project.

The Mission feels that only limited USDA/PASA technical advice and commodities are now necessary to maintain and advance the present statistical work. No more than 6 man months of TDY personnel per year is expected to be required during the life of the project.

B. GOAL

1. Statement of the Goal

The goal of this project is improved agriculture sector policies and plans which are based upon appropriate economic studies that utilize reliable statistics. The capacity of the Ministry of Agriculture (MAG) to analyze problems and to set priorities both for itself and for other important public institutions in the agricultural sector is limited. Moreover, such planning that does take place is ad hoc and tends to result in fragmented and short-term projects rather than coordinated programs.

2. Measures of Goal Achievement

The specific targets for goal achievement are as follows:

a. MAG programs will be coordinated with related activities carried out by other entities in the sector (e.g. National Development Bank, the Colonization Institute, and the Supervised Agricultural Credit Agency).

b. Policies framed by the entities other than the MAG that affect the agriculture sector will be based upon inputs from the MAG and will be in conformity with MAG set policies.

c. The MAG will have the ability to plan and draft agricultural development programs and projects.

3. Means of Verification

Achievement of these goal targets will be verified by review by USAID advisors of sector priorities, policy determinations and inter-institutional working arrangements, and by review of MAG projects and programs.

4. Assumptions Regarding Goal Achievement

a. That the GOP will continue to increase its support for the MAG as the sector develops and expands, so that the MAG can afford to fund planning adequately.

b. That a demonstrated competence by the MAG in planning and economic analysis will result in greater acceptance of MAG recommendations by the National Planning Office (STP) and other entities involved in the Agriculture sector.

C. PROJECT PURPOSE

1. Statement of Project Purpose

The purpose of the project is the establishment of a capability within the MAG to develop realistic analyses and rational plans for the agriculture sector. The establishment of a competent planning office (Technical Unit) within the MAG, combined with an improved Statistical Unit capable of providing reliable and timely data, are the key elements for achieving the project's goal.*

2. End of Project Status

The MAG Technical Unit will have the capability to:

a. Update sub-sector assessments as necessary.

b. Identify for the MAG situations (both problems and opportunities) which require action and/or policy determinations.

c. Prepare, in cooperation with implementing groups, agricultural development programs and projects for consideration by the STP.

d. Evaluate the progress of agriculture programs and of other sector entities.

e. Coordinate the economic studies conducted within the MAG and collaborate on economic studies performed by other sector entities.

f. Collect, process and publish reliable, timely statistics on major categories of crops and livestock.

3. Means of Verification

Achievement of this end-of-project condition will be verified by direct observations of USAID advisors, and by their review of economic studies and draft programs and plans prepared by the MAG planning unit as well as by the review of the sector assessment and annual publications of agricultural statistics. Comparison of quantity and quality of these targets will be made with previous years.

4. Assumptions for Achieving the Purpose

a. That the MAG will provide adequate financial support and an attractive professional working climate to the Technical Unit so that qualified personnel will be attracted and retained (see organization chart and staffing patterns, Annex I).

* See Annex I for Organizational Chart of Ministry of Agriculture.

b. That administrative authority for the Technical Unit will be commensurate with the responsibility assigned, i.e. the Unit will be given overall supervisory responsibility for all of the planning work within the MAG, such as program design, evaluation and analysis of projects, etc.

D. OUTPUTS

1. Statement of Project Outputs

a. The most important immediate output of the project including both direct Mission involvement and the MAG Technical Unit is the Small Farm Sub-sector Assessment.

b. Outputs related solely to the Technical Unit include:

(1) MAG Budgets: MAG budgets will be prepared by personnel within the MAG Technical Unit in accordance with established policies and priorities. Budgets will be reviewed by the policy makers and the planners within the MAG planning unit, in consultation with the STP and the Ministry of Finance.

(2) Economic Studies Completed. The number of economic analyses and studies on commodities or functions (e.g. regional production, processing and transportation) or feasibility (comparative advantage) will be increased as the technical staff increases in size and experience.* Annual estimates of the number of studies to be completed are as follows:

| FYs | 1975 | 1976 | 1977 |
|---|---|---|---|
| | 2 | 4 | 5 |

c. Outputs related solely to the Statistics Unit of the MAG include:

(1) Crops and Livestock Statistics. It is planned that the annual sample surveys will increase the number of crops and products to cover all the major items of commercial importance to the economy. Annual sample surveys will include the following categories:

| FYs | 1975 | 1976 | 1977 |
|---|---|---|---|
| Crops | 23 | 25 | 25 |
| Livestock | 12 | 13 | 15 |

(2) Crops included in Annual Forecast Surveys. The number of crop categories included will be increased as follows:

| FYs | 1975 | 1976 | 1977 |
|---|---|---|---|
| | 9 | 12 | 14 |

2. Means of Verification

Verification of output achievement can be determined through review of MAG's records, reports and publications.

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* See Annex II for Decree establishing functions and attributes of the Technical Unit.

3. Assumptions about Production of Output

That all inputs are provided in the amounts and within the time frame described in Section E below and shown on page one of this PROP.

E. INPUTS

Budget for Project Inputs:

1. A.I.D. Grant Assistance ($000)

| | FY 75 $ | FY 75 MM | FY 76 $ | FY 76 MM | FY 77 $ | FY 77 MM |
|---|---|---|---|---|---|---|
| a. Personnel | | | | | | |
| L.T. Consultant (2 yrs.) | 24 1/ | 5 | 71 | 12 | | |
| S.T. Consultant (1 yr. ) | 38 2/ | 12 | | | | |
| Planning and Statistics - TDY | 24 | 5 | 26 | 6 | 26 | 6 |
| Sub-Total | 86 | 22 | 97 | 18 | 26 | 6 |
| b. Participants | 8 | 8 | 26 | 24 | 28 | 24 |
| c. Commodities | 3 | | 8 | | | |
| d. Other Costs | | | | | | |
| (1) Operational travel | 3 | | 5 | | 2 | |
| (2) Computer rental (for data processing sub-sector assessment | 8 | | 5 | | | |
| (3) Supplemental surveys for sub-sector assessment | | | 20 | | | |
| (4) Supplemental sample survey by CPES (completed) | 16 3/ | | | | | |
| Sub-Total | 27 | | 30 | | 2 | |
| e. Total | 124 | | 161 | | 56 | |

1/ $40,000 were obligated under Project 050.1 in FY 1974 for this purpose. Those funds will finance an additional 7 months. It is expected that the technician can be on board by February 1975.

2/ $12,000 for 3 man-months presently charged to Operating Expenses.

3/ Presently charged to Technical Support.

2. GOP Inputs (U.S. Dollar equivalent)

| | FY 75 $ | FY 75 MM | FY 76 $ | FY 76 MM | FY 77 $ | FY 77 MM |
|---|---|---|---|---|---|---|
| a. Personnel | | | | | | |
| (1) Technical Unit | 36 | 120 | 38 | 120 | 38 | 120 |
| (2) Statistics Unit | 33 | 200 | 36 | 200 | 40 | 200 |
| (3) Operational Directorate | 4.6 | 24 | 4.8 | 24 | 5.0 | 24 |
| b. Estimated Office Costs | 3.0 | | 3.6 | | 4.0 | |
| c. Other | 1.2 | | 2.0 | | 2.5 | |
| d. Total | 77.8 | | 84.4 | | 89.5 | |

Description of Project Inputs

1. USAID Assistance

a. The long term consultant will be a PhD agricultural economist who will advise the MAG Technical Unit. His primary responsibility will be to assist the nascent Technical Unit to initiate useful economic studies for use in planning and policy determination. This assistance should also enable the MAG to have an eventual capacity to carry out a full sector assessment (see H.2.a. below). The advisor will also work on the small farmer sub-sector assessment.

The short term consultant is a third-country national agricultural economist originally contracted for three months to analyze the data produced by two sample surveys. In view of the impressive results obtained from the initial work (including cost of production data for major crops and much information utilized in the CAP for the Small Farmer Development Loan), we have extended this contract for an additional nine months. A large amount of data available to the Mission from contracts with the Centro Paraguayo de Estudios Sociológicos (CPES) still remains to be analyzed. Analysis of this data on the Paraguayan small farmer is viewed by USAID/P as a valuable use of existing data that could provide an important analytical part of the small farmer sub-sector assessment.

The Mission feels that the application of sophisticated econometric techniques on the CPES data will yield statistical information which will be invaluable in planning and programming future projects, as well as for use in sub-sector assessment. Activities will include, but not be limited to, the estimation of the input-output coefficients to be used in the linear programming analysis. The linear programming technique will provide estimates of the potential rates of return to selected inputs. Additional analysis will be used to examine physical characteristics of the small farm sector (i.e. farm size, land allocation possibilities, etc.), labor force characteristics (i.e. labor availability, etc.) and economic characteristics (i.e. credit use, income distribution, land tenure, etc.). The final output will be a rather complete study of the small farmer and the variables which affect his well being. The relationship of the small farmer sector to the overall economy and a

treatment of how MAG policies and functions affect the small farmer will also be covered.

The TDY's in planning will involve specialized assistance in the preparation of selected projects, some of which may be submitted to international development agencies for financing. This scheduled additional technical assistance will be required for at least one year after the regular advisor leaves, in FY 1977, to supplement the limited training and experience of MAG technicians in economic analyses and in the establishment of priorities for long-range development. Realistically, the quality of the MAG Technical Unit's output would be improved if short-term, specialized, high-level advice were provided from time-to-time during the foreseeable future. Such advisors might be arranged from other donors such as OAS/IICA.

The TDY's in statistics will be needed to assist with the establishment of new techniques of data collection (e.g. area sampling) and processing as these are incorporated into the routine work of the statistics unit. Full time technical assistance was provided through May 1974 under a now terminated project.

b. Participant training funded under a previous project (No. 526-15-110-050.1 Institutional Development) covered four M.S. candidates in agricultural economics and one M.S. candidate in statistics. Four of the candidates have returned with M.S. degrees, and the one remaining will return in June 1975, Two more M.S. participants in agricultural economics are planned to start in FY 1976 and return in FY 1977. Candidates are already on the staff of the Technical Unit. The 8 man months budgeted for FY 1975 short-term training will fulfill other training requirements of both the Technical and Statistics Units.

c. Limited commodity support will cover required office equipment (calculators, typewriters, etc.) and one replacement vehicle.

d. Other Costs. The other cost component in FY 75 relates to $16,000 additional funding on the Mission-CFES contract and to additional costs related to application of linear programming techniques to the CFES data. Due to limited local computer capacity, travel to U.S. is necessary to do this work efficiently. For FY 76, depending upon results of the initial analysis further survey work may be appropriate, particularly in regard to filling gaps in data on costs of production of a number of crops.

2. GOP Inputs

The GOP will support the project through the assignment of sufficient numbers of adequately trained personnel to the MAG's Technical Unit and the Statistics Unit. One or two full time agricultural economists from the Technical Unit will be assigned to work on the small farmer assessment. In addition, personnel from various MAG operational units and from other GOP entities in the sector will conduct necessary research and analysis as needed. We estimate that the Host Government's contribution will be equal to at least 40% of the total project costs over the life of the project. A written assurance of at least 25% coverage will be recorded as part of the Project Agreement.

F. EVALUATION PLAN

Per instructions contained in AIDTO CIRC A-603, dated 28 August 1974, subject: "Improved Program Design and Evaluation", the following plan is submitted:

1. "Specific provisions, consistent with the magnitude and importance of the project, for collection and recording of baseline and progress data relating to stated progress indicators as well as to design assumptions".

a. Baseline Data

The present status of the MAG's efforts in the planning and statistics areas has been already assessed by the Mission and described in detail in Sections A, E and G of this PROP. More detailed information is available to the Mission through the quarterly progress reports and final reports submitted by previous USDA/PASA advisors under a now terminated project (050.1).

b. Progress Data

The principal sources of data relating to progress indicators and design assumptions will be the MAG's records, reports and publications, quarterly reports prepared by the long term advisor, and reports from TDY consultants. We do not anticipate any additional effort for collecting and recording progress data from other than the above described means.

2. "Periodic evaluation by senior management including a description of the scope, design, methodology, timing, participants, and necessary resources for the evaluation".

As required by Mission and AID/W policy, the project will have yearly PAR evaluations, in compliance with the series of M.O.'s and policy statements which outline evaluation methodology and participation. To the extent possible MAG officials will participate in the evaluation process. We expect effective and fruitful cooperation from host Government officials in the evaluations because of their familiarity with AID's logical framework and evaluation methodology as a result of their attendance during the Program Design and Evaluation Seminar held at the Mission during the first week of October, 1974.

The Mission Director takes personal interest in the PAR process and participants both in the review itself and in following up and closing recommendations.

3. "A review of prior experience with similar projects elsewhere".

The Mission awaits the subsequent message to follow AIDTO CIRC A-603 and will reshape its evaluation plan as indicated by A.I.D. experience elsewhere.

G. RATIONALE

The MAG's planning has been generally quite elementary and ad hoc, largely as a result of not having personnel trained to do agricultural planning. The major exceptions to this situation have been national commodity programs (soybeans, cotton, tobacco, etc.) and the planning which the MAG has had to do in order to implement the IDB-funded Integrated Program of Agricultural Development (PIDAF). This program

requires annual operating plans for each sub-project and a system of evaluation. While the planning work has been adequate in the short run, the evaluation activities have been postponed due to budgetary and procedural problems, except for a limited evaluation of PIDAP projects done by two summer students from the Faculty of Agriculture hired by A.I.D. Despite such experience, this type of short-term project planning will not develop the expertise necessary for longer range policy formulation and program planning. But now that trained personnel have returned to the MAG from their graduate studies, new opportunities are available.

Whatever longer range planning has been conducted for the agriculture sector has usually been done by the National Planning Office (STP), generally with considerable help, both officially and informally, from MAG technicians. With the help of the IDB, this office has created a division (ONP) which prepares individual development projects, including some for the agriculture sector; such projects are often designed with an eye towards having them financed by IDB or World Bank and are more useful as pre-feasibility studies than as operational documents. However, the primary function of the STP is global planning at the national level, with five year development plans for each major sector. This level of planning continues to occupy the bulk of this office's time and resources. Thus while the work of the STP is useful to the MAG as a general guide to policy making (in setting priorities and as a tool in coordinating efforts with other ministries), it is of very limited use at the level of detailed project planning and implementation. Therefore, the Mission has identified inadequate planning in the MAG as a priority development problem.

The creation of the Technical Unit now gives a home for planning within the MAG. The Technical Unit in the MAG will have primary responsibility for conducting agricultural sector assessments. The Mission has decided to undertake the small farmer sub-sector with the participation of the MAG. This assessment will serve the dual purposes of strengthening the analytical and planning capability of the MAG through on-the-job training, and of providing a basis for Mission program planning. The assessment will emphasize the analysis of problems (e.g. credit and research) with a view towards determining the constraints on development.

The lack of sufficient and reliable statistics regarding the agriculture sector has been identified by the Mission as a constraint in this area of concentration. Reliable and timely data are necessary to improve analysis and planning. The USAID has provided the MAG's Statistics Unit with the mechanisms for the collection and analysis of reliable and useful data. Remaining problem areas include slow field work in the collection of basic data, excessive time taken for processing of the data, and slow updating of the master list. The field work is often hampered by poor weather conditions which make roads impassable at times and halt mail service (some survey questionnaires are sent in by mail). By reducing the basic time allocated for the field work, more leeway can be built into the overall survey process so that all collection work can be completed sooner despite unforeseen disruption of the overall schedule.

The problem of coordination of public sector services to agriculture is undoubtedly one which will require considerable time to resolve and which must include top level decision makers in various GOP ministries and decentralized agencies. There is wide dispersion of responsibility throughout various institutions for the provision of roads, credit, education, extension services, quality control of products, etc. Particular services emerge at various times and in various areas as bottlenecks which require urgent solution, but the response is usually makeshift in nature. In the

short run, coordination of the public sector institutions probably can be improved by strengthening the planning capacity within each institution, but in the longer term the MAG must take hold.

Towards this end, the development of the MAG Technical Unit will bring the MAG considerably closer to being able to take the lead in the coordination effort. The successful elaboration of the sub-sector assessment should also help put the MAG in the forefront in agricultural analytical capability. By assisting the MAG to become a primary source of analytical and agriculture sector planning expertise, we expect an increase in MAG's influence over the activities of the other public institutions in the sector, such as the National Development Bank (NDB), the Colonization Institute (IBR) and the Supervised Agricultural Credit Agency (CAH). Moreover, the MAG's voice in inter-ministerial committees should also continue to grow. One possibility is the creation of an inter-ministerial commission for agricultural development on which the Minister of Agriculture would be the chairman; such a commission is currently under consideration by the GOP.

## H. IMPLEMENTATION PLAN

### 1. Personnel

#### a. Planning and Policy

The Technical Unit of the MAG has been reinforced by the incorporation of the three returned graduate-level agricultural economists and a fourth will return in CY 1975. Additional technical staff, will be added during the life of the project. The A.I.D. contract advisor will work with the Technical Unit on the sub-sector assessment and other planning and policy work.

#### b. Agricultural Statistics

Upon return in CY 1975 the statistician being trained at the Master level will assume the duties of the technical leader of the agricultural statistics unit. Because of the need to introduce some new techniques, short term USDA/PASA advisors have been programmed to assist the statistics unit. As TDY consultants further modernize the statistical methods being used and additional responsibilities and support are developed, the personnel of this Unit will need additional specialized short-course training.

### 2. Program of Work

#### a. Planning and Policy

The implementation of the project will begin under the Technical Unit: a revitalization of the planning activities that were dormant under the SCT. As the leadership in planning and policy making is strengthened by the incorporation of the technicians trained at the M.S. level, it will be feasible to inaugurate a program of much higher level technical work.

One of the first activities of a longer term nature will be the small farmer sub-sector assessment, which will serve as an excellent orientation to the current situation in their country for the newly-trained planners. Also, under the guidance of the planning advisor, the assessment will help the unit to recommend

priorities and policies to the Minister. The MAG has expressed considerable interest in a sector assessment and the assessment will contribute to the creation of a MAG capability to conduct future agricultural assessments and plans of more comprehensive scope. The project will assure that the nascent planning group acquires sufficient capability to make a successful impact on agricultural planning and policy determinations.

Work on small farmer sub-sector assessment has already been initiated. The Mission economist is coordinating this effort with assistance from the Rural Development Division and the TGN agricultural economist who is on a one-year personal services contract. The MAG has assigned two of the recently returned M.S. level USAID participants of the Technical Unit to assist with this work. This assessment will, at a minimum, address the following topics:

(1) Rationale for concentration on small farmers.

(2) Definition of the target group and how it relates to the overall agricultural sector.

(3) Analysis of the resources, constraints and needs of the target group.

(4) Current status of small farmer in GOP programs and the GOP attitude toward the target group.

(5) Role of other donors re the target group.

Apart from the small farmer sub-sector assessment, it is anticipated that the Technical Unit will prepare economic feasibility studies and evaluative studies in order to assist the Minister in formulating rational priorities and policies.

b. Agricultural Statistics

This activity represents and administrative change from one project (Agricultural Institutional Development which terminated in FY 1974) to another, along with a shift from a full time advisor to short term advisors.

If a newly proposed agricultural census becomes a reality in CY 1975 or 1976, assurance should be sought to continue the present surveys along with the census. As a matter of policy, a census should not be considered a substitute for surveys but rather to verify survey data and to re-establish data benchmarks.

I. INTEGRATION OF WOMEN INTO THE NATIONAL ECONOMY

As required by AID/TO CIRC A-532, dated 25 July 1974, Subject - The Percy Amendment, the following statement is provided:

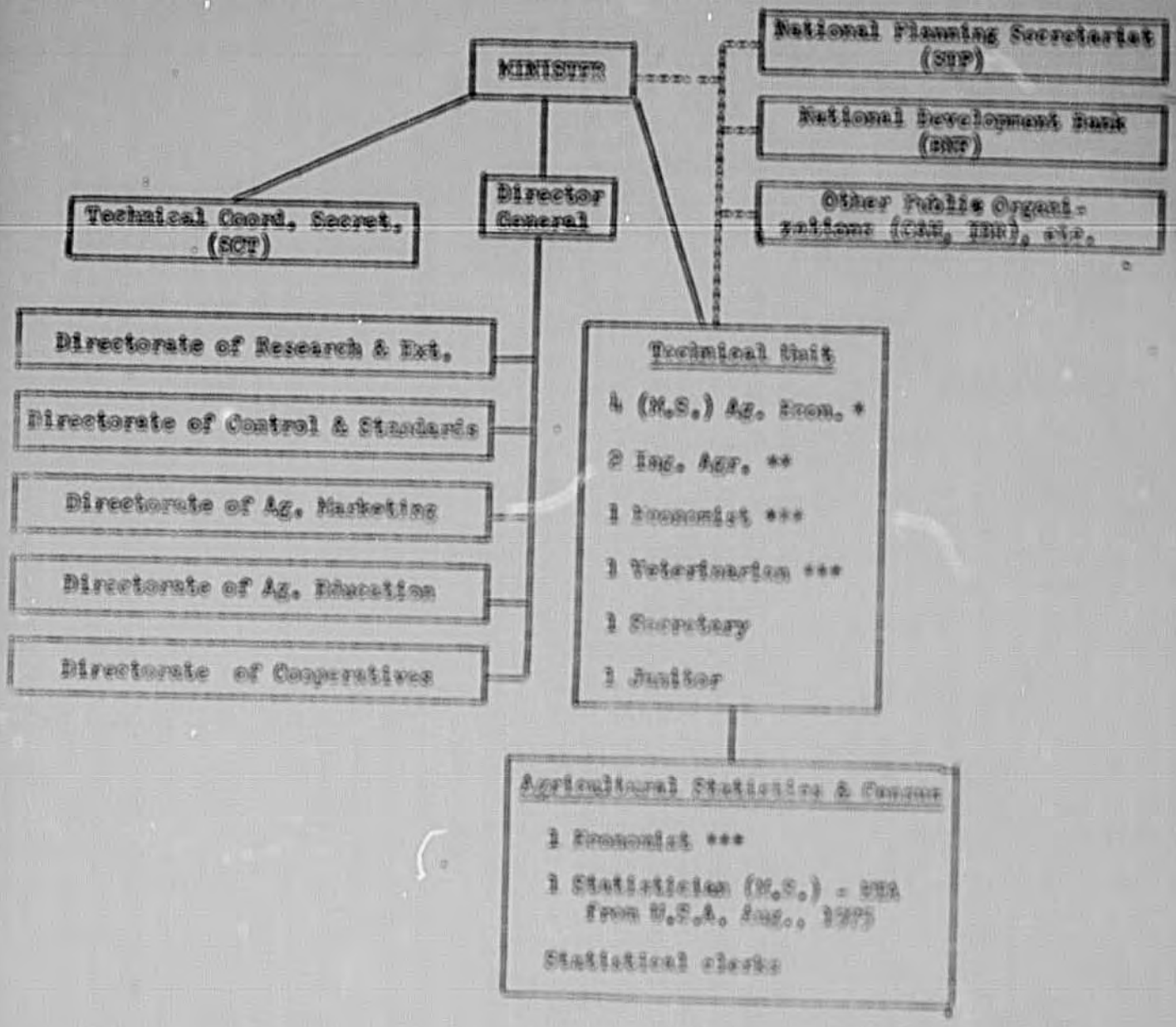
This project will assist in the integration of women in the national economy by developing information on the present degree of participation of women in agriculture and their needs and constraints, and by MAG policies and plans which will offer greater economic participation by rural women.

At present, the only MAG program which focused on women is the Home Economics Department. Little information exists on the rural woman's degree of participation in

production and marketing, or her role in decision making. The small farmer sub-sector assessment should provide information in these areas, and should provide a basis for MAG planning which will lead to greater involvement of women in agricultural development.

## ANNEX I

## ORGANIZATION CHART OF MINISTRY OF AGRICULTURE




* Means incumbent has a U.S. Mastersdegree.

** Means incumbent has a Latin American degree equivalent to a stateside B.S. in agriculture.

*** Incumbents have degree equivalent to stateside B.S.

UNOFFICIAL TRANSLATION

## ANNEX II

## FUNCTIONS AND ATTRIBUTES OF TECHNICAL UNIT

Resolution Np. 6

"Through which the Functions and Attributes of the Technical Unit are established"

Asunción, 6 January 1975

Given: Law No. 479 "Budget for 1975 Fiscal Year" promulgated by the Executive Power on 27 November 1974 and

Considering: That the referenced Law foresees the creation of a Technical Unit, and

That it is necessary to establish with greater precision its functions and attributes, in order to facilitate understanding of the objectives of the creation of the entity created;

The Minister of Agriculture

RESOLVES:

Article 1. The Technical Unit reports directly to the Minister and is the unit responsible for the preparation of plans for the agricultural sector and renewable natural resources.

Article 2. The Technical Unit will:

- Permanently study and evaluate the general situation of agriculture, livestock and renewable natural resources in order to identify the positive and negative factors conditioning their development within the framework of the general economy, as a basis for a sector policy to be adopted by the Ministry;

- Conduct studies on farm, livestock, and forestry management for the different areas of the country and for different levels of technology;

- Prepare in coordination with the planning offices of semiautonomous institutions and institutions related to the Ministry, development plans and programs for the agriculture sector and renewable natural resources in accordance with the National Planning Office of the Presidency of the Republic;

- Coordinate preparation of annual work plans of the Ministry with its various Directorates and Technical Departments;

- Prepare specific projects to be carried out by the Ministry in conformance with priorities established in the collaboration plans with the National Office of Projects;

- Evaluate and inform the Minister on agriculture development, natural resources plans, programs and projects prepared by semiautonomous organizations and organizations related to agriculture and to be implemented by one or more organizations;

- Periodically evaluate and inform the Minister on the implementation of sector policy, plans, programs and projects, and propose necessary adjustments;

- Advise all technical branches of the Ministry on matters related to planning and implementation of plans, programs and projects under the Ministry;

- Analyze and evaluate investment projects submitted to the Ministry by private enterprises seeking the benefits of Investment Law 217/70 for Economic and Social Development, or any other such law to be eventually dictated;

- Prepare with the National Planning Office programs for foreign technical assistance related to the agriculture, livestock and renewable natural resources;

- Assist the Minister in all matters related to the social and economic development of the country, particularly the primary sector which is the specific concern of the Ministry;

- Carry out whatever technical advisory work as directed by the Minister.

Article 3. The Technical Unit will be headed by a Director appointed by the Minister, who shall be a professional with university degree and experience in agricultural planning.

Article 4. Communicate to those responsible and archives.

Signed HERNANDO BERTONI
Minister

AID 1020-28 (7-71)
SUPPLEMENT 1

# PROJECT DESIGN SUMMARY
## LOGICAL FRAMEWORK

(INSTRUCTION: THIS IS AN OPTIONAL FORM WHICH CAN BE USED AS AN AID TO ORGANIZING DATA FOR THE PAR REPORT. IT NEED NOT BE RETAINED OR SUBMITTED.)

Project Title & Number: AGRICULTURAL PLANNING AND STATISTICS, 526-15-110-050.5

Life of Project:
From FY 1975 to FY 1977
Total U.S. Funding $341
Date Prepared: 20 Jan 1975



| NARRATIVE SUMMARY | OBJECTIVELY VERIFIABLE INDICATORS | MEANS OF VERIFICATION | IMPORTANT ASSUMPTIONS |
|---|---|---|---|
| Program or Sector Goal: The broader objective to which this project contributes: | Measures of Goal Achievement: | | Assumptions for achieving goal targets: |
| Improved agricultural sector policies and plans which are based on appropriate economic studies and utilize reliable statistics. | 1. MAG programs coordinated with related activities.<br>2. Policies framed by other entities in agricultural sector, in conformity with MAG-set policies.<br>3. MAG capability to plan and draft agricultural development programs and policies. | Review by USAID advisors of sector priorities, policy determinations and inter-institutional working arrangements and by review of MAG projects and programs. | 1. That the GOP will continue to increase budgetary support of the MAG.<br>2. That a demonstrated competence by MAG in planning and economic analyses will result in greater acceptance of MAG recommendations by the National Planning Office and other entities involved in agriculture. |

AID 1020-20 (11-71)
SUPPLEMENT 1

# PROJECT DESIGN SUMMARY
## LOGICAL FRAMEWORK

Life of Project:
From FY 1975 to 1977
Total U.S. Funding $341
Date Prepared: 20 Jan. 1975

Project Title & Number: AGRICULTURAL PLANNING AND STATISTICS, 526-15-110-050.5

| NARRATIVE SUMMARY | OBJECTIVELY VERIFIABLE INDICATORS | MEANS OF VERIFICATION | IMPORTANT ASSUMPTIONS |
|---|---|---|---|
| Project Purpose: | Conditions that will indicate purpose has been achieved: End of project status. | | Assumptions for achieving purpose: |
| Establishment of a capability within the MAG to develop realistic analyses and rational plans for the agricultural sector. | The MAG Technical Unit will have the capability to:<br>1. Up-date sector assessments as necessary.<br>2. Identify situations (both problems and opportunities) which require MAG action and/or policy determination.<br>3. Prepare, in cooperation with implementing groups, agricultural development projects and programs for consideration of the National Planning Office.<br>4. Evaluate the progress of the MAG and other institutions.<br>5. Coordinate the economic studies conducted within the MAG and collaborate on economic studies performed by other agricultural sector entities.<br>6. Collect, process and publish timely statistics on major categories of crops and livestock. | Direct observation by USAID advisors and by their review of economic studies and draft programs and plans prepared by the MAG Technical Unit and of the annual publications of the MAG Statistics Unit. Comparison of the quantity and quality of their outputs will be made with previous years. | 1. That the MAG will provide adequate financial support and an attractive professional working climate to the Technical Unit so that qualified personnel will be attracted and retained.<br>2. That the administrative authority for the Technical Unit will continue to be commensurate with the responsibility assigned. |

AID 1020-28 (7-71)
SUPPLEMENT I

# PROJECT DESIGN SUMMARY
## LOGICAL FRAMEWORK

Life of Project:
From FY 1975 to FY 1977
Total U.S. Funding $341
Date Prepared: 20 Jan 1975

Project Title & Number: AGRICULTURAL PLANNING AND STATISTICS, 526-15-110-050.5



| NARRATIVE SUMMARY | OBJECTIVELY VERIFIABLE INDICATORS | MEANS OF VERIFICATION | IMPORTANT ASSUMPTIONS |
|---|---|---|---|
| Outputs: | Magnitude of Outputs: | | Assumptions for achieving outputs: |
| 1. Small Farmer Sub Sector Assessment. | 1. Completion slated for CY 1975. | Review of MAG records and publications. | That all inputs are provided in amounts and with timeframe described on page four of this logical framework. |
| 2. MAG Budgets. (Technical Unit) | 2. Annual. | | |
| 3. Economic policy, planning and evaluative studies. (Technical Unit.) | 3. FY75 2; FY76 4; FY77 5 | | |
| 4. Annual Sample Surveys. (Statistics Unit.) | 4. Crops Incl. 23; 25; 25 | | |
| 5. Annual Forecast Surveys. (Statistics Unit.) | Live-stock Incl. 12; 13; 15 | | |
| | 5. Crops Incl. 9; 12; 14 | | |

AID 1020-24 (9-71)
Supersedes

# PROJECT DESIGN SUMMARY
## LOGICAL FRAMEWORK

Project Title & Number AGRICULTURAL PLANNING AND STATISTICS, 526-15-110-050.5

Life of Project:
From FY 1975 to FY 1977
Total U.S. Funding $941
Date Prepared: 20 Jan 1975



| NARRATIVE SUMMARY | OBJECTIVELY VERIFIABLE INDICATORS | MEANS OF VERIFICATION | IMPORTANT ASSUMPTIONS |
|---|---|---|---|
| Inputs: | Implementation Target (Type and Quantity) | | Assumptions for providing inputs: |
| A. AID | | | |
| 1. TA Technicians ($209,000)<br>a. One long-term consultant to Technical Unit<br>b. Short-term Planning Advisors<br>c. Short-term statistics advisors<br>d. Medium-term agricultural economist (TCN) | Man Months<br>1. FY: 75 / 76 / 77<br>a. 5* / 12 / —<br>b. 2 / 3 / 3<br>c. 3 / 3 / 3<br>d. 12 / — / —<br>22 / 18 / 6 | 1. USAID records. | |
| 2. Participant Training ($56,000)<br>a. Agricultural economics (2 U.S.)<br>b. Short-term training | 2.<br>a. — / 24 / 24<br>b. 8 | 2. Id. | |
| 3. Commodities ($11,000) Office equipment and replacement vehicle | | 3. Id. | |
| 4. Other Costs ($19,000)<br>a. Operational travel ($10,000)<br>b. Computer rental ($13,000)<br>c. Supplemental surveys ($20,000)<br>d. Completed survey ($16,000) | Costs under a, b and d are directly related to on-going Small Farmer Sub-Sector Assessment. | 4. Id. | |
| B. GOP | | B. | |
| 1. Personnel<br>a. Technical Unit<br>b. Statistics Unit<br>c. Operational Units | a. 120 / 120 / 120<br>b. 200 / 200 / 200<br>c. 24 / 24 / 24 | 1. MAG records. | 1. c. Assignment of necessary partti personnel from MAG operational units to work with Technical and Statistics Units. |
| 2. Other Costs | 2. ($000) 4.2 / 5.6 / 6.5 | | |
| | *7 man-months funded in FY 1974 under Institutional Development Project, 526-15-110-050.1. | | |

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