

PD-AAB-432-A1

5280100 - ⑦

131

URUGUAY - REVOLVING LOAN FUND FOR
COMMUNITY FARMS

AID No. LA-G-1101 GRS No. 75/06

Progress Report #3

CATHOLIC RELIEF SERVICES

URUGUAY PROGRAM

PROGRESS REPORT No. 3JANUARY 15. to MARCH 31, 1975I.- REFERENCE SECTION

CRS PROJECT No.: URUGUAY 75/76

AMOUNT: US\$ 50.000.00

TITLE OF PROJECT: COMMUNITY FARMS

COUNTRY IN WHICH PROJECT IS LOCATED: URUGUAY¹

FUNDING AGENCY CODE: US GOVERNMENT ACCOUNT # 42-231-026

II.-EXPENDITURES *

	PESO\$	US\$	CHANGE
Project No. 1 (Catholic Scouts)	4.214,85	1.543,00	2,73
Project No.4 (CAJ Vuelta de Palmar)	14.218,47	5.170,35	2,75
Project No.6 (CAJ Charrúa)	793,60	301,35	2,65
Project No.8 (CAJ EL Dinamo)	5.525,19	2.034,97	2,65
Project No.9 (Hogar de Ancianos José)	1.065,66	390,35	2,73
Project No.10 (CAJ Bolívar)	1.688,95	618,66	2,73
Project No.11 (SUV Rodríguez)	13.094,13	4.761,50	2,75
Project No.12 (Parador Tajos)	4.180,13	1.407,43	2,97
Project No.13 (CAJ El Ayní)	3.635,35	1.331,63	2,72
Project No 14 (Barrancas Coloradas)	4.180,08	1.407,40	2,97
Project No.15 (La Chirqueja)	1.142,55	418,51	2,73
Project No.16 (Castillos)	12.730,04	4.467,28	2,75
Avances for publications	300,00	101,01	2.97
4 Spray - machines	1.140,00	383,83	2,97

 N\$ 67.964,00 US\$ 24.388,17

* Projects No.1,4,6,10,11,12,13 and 16 were partially informed in

III. PROGRESS OF PROJECT

(A) CHRONOLOGICAL INFORMATION

A.1. Spring Sowing

Almost all of the projects finished with remarkable success. The agronomists and the administrator visited them regularly offering the necessary technical assistance. The crops went from the double to three times the Uruguayan national media of production of potatoes and tomatoes. Unfortunately, the marked prices were very low this year but with much crops all the groups made significant profits.

In the social aspect our groups also attained very important achievements. Three of them contributed the human base for reactivating two groups of Rural Cooperative and the organization of a new one.

A.2. Summer Sowing

- Jan.4 CAJ El Ayuí signs the contract (Project 13)
- Jan.9 The steering Committee approves solicitudes No. 12,13,14 and
- Jan.10 After overcoming serious difficulties because of the speculation the administrator get potatoes seeds for all the programs.
- Jan.12 Meeting with AID/Montevideo functionaries to review the on going projects.
- Jan.21 CRS/Mvd. contacts the experimental center at Las Brujas to obtain special advisorship for the agronomist and one potato planter
- Jan.24 Cooperative Farm "La Chirqueja" signs the contract (Project 14)
- Feb.3 Ing. Agr. Fermín Etcheverría will give spontaneous assistance to the CRS beneficiarios in San José and Villa Rodríguez
- Feb.10 AID/Mvd. communicates two limitations of the program. CRS/Mvd is not authorized to loan impts from the communist countries (Provejor Calforu doesn't buy in that sources) or pesticides containing DDT or Chlorates/
- March 9 The Steering Committee approves the alfalfa module fertilizer avoid descapitalization due to the inflation.
- Mar.15-23 CRS/Mvd. and the agronomists prepare material for a preliminary evaluation of the Spring projects.
- Mar.24 Evaluation meeting at the US EMBASSY with the functionaries of AID/Mvd. Msgr. Bordelon participates in that meeting too.
- March 25 Evaluation Meeting at Castillos.
- March 30 Evaluation meetings at Fray Marcos and Paso de los Difuntos.

(9) PROMOTIONAL ACTIVITIES

Field Trips (with promotional and/or supervisory purposes) to:

Department of Canelones:	Barrancas Coloradas	3
	Barros Blancas	
	Bolívar	3
	Carrasco del Sauce	2
	Las Brujas	
	Pando	2
	Parador Tajás	2
	Paso de los Difuntos	2
	San Antonio	2
	Toledo Chico	
Department of Florida:	Costa de Chamizo	
	Florida	
	Fray Marcos	2
	La Escobilla	
Department of Lavalleja:	Solís de Mataejo	
Department of Maldonado:	Aigua	
	Las Delicias	
	San Carlos	
Department of Montevideo:	Cushilla Pereira	2
	Nelilla	3
Department of Rocha:	Aguas Dulces	2
	Castillos	2
	Cerro de los Rocha	2
	La Horqueta	
	Paso del Bañado	2
	Rocha	
	Vuelta de Palmar	
Department of San José:	Rincón de Albano	2
	San José	
	Villa Rodríguez	2
Personal interviews: with civil and military authorities:		
	National level:	2
	Local level:	5
	with leaders of private agencies:	23
	rural producers:	135

Press Conference in CRS/Mvd.

Public Speeches: CU 155 Atlantica Broadcasting (Castillos)

CAJ EL Ayuf

CAJ Aguas Dulces

(C) ADMINISTRATIVE ACTIVITIES

Meetings of the Steering Committee: 5

the Comisión Honoraria Artigas: 1

Planning meetings with technicians of: CALFORU 15

CARITAS 2

MJA 16

Draw up of: Reports (of several Kinds) - 1

Contracts with local farmers

Orders to retire inputs

a personnell of the inversions: by project

by period

by inputs loaned

study of the actualized prices of the spring projects ana-
lysis of the costs in dollards, quantitative evaluation of
each project standard model for alfalfa planters.

FINANCIAL STATEMENT PROJECT CRS/75-06 USAID-GRANT AID/1a-G-110

<u>RECEIPTS</u>	<u>US\$</u>
OCT-1975	US\$ 20.000,00
NOV-1975	US\$ 15.000,00
DEC-1975	US\$ 15.000,00
TOTAL RECEIPT:	US\$ 50.000,00

CURRENCY CONVERSIONS

10-14-75	US\$ 10.000,00 (C 2,69)	N\$ 26.900,00	
10-30-75	US\$ 6.000,00 (C 2,65)	N\$ 15.900,00	
11-18-75	US\$ 4.000,00 (C 2,73)	N\$ 10.920,00	
12-17-75	US\$ 5.000,00 (C 2,75)	N\$ 13.750,00	
12-30-75	US\$ 9.000,00 (C 2,75)	N\$ 24.750,00	
1-19-76	US\$ 8.000,00 (C 2,97)	N\$ 23.760,00	IN CALFORU N\$ 87.500,00
2-16-76	US\$ 2.000,00 (C 3,35)	N\$ 6.700,00	IN
	US\$ 44.000,00	N\$ 122.680,00	OTHERS: N\$ 35.180,00
	<u>TOTAL PESOS AVAILABLE</u>		

PURCHASES CALFORU

10-17-75	N\$ 15.000,00
11-7-75	N\$ 5.500,00
11-18-75	N\$ 18.000,00
11-20-75	N\$ 9.000,00
1-12-76	N\$ 15.000,00
1-20-76	N\$ 25.000,00
	<u>N\$ 87.500,00</u>
DISCOUNT CREDIT	NN\$ 725,00
	<u>N\$ 88.225,00</u>

EXPENSES N\$ 81.676,78

BALANCE 3/31/76 CALFORU N\$ 6.548,22

OTHER PURCHASES

EDUCATIONAL MATERIAL:	N\$ 600,00
SEEDS:	N\$ 22.169,54
TOOLS:	N\$ ----
BANK CHARGES:	N\$ 353,50
TOTAL SPENT:	<u>N\$ 23.123,04</u>

BALANCE IN BANK

3-31-76 N\$ 12.056,96

DOLLAR RECEIPT: 50.000,00
 DOLLAR SPENT : 44.000,00

DOLLAR BALANCE 3-31-76 6.000,00

NARRATIVE SECTION

This third Progress Report finds us at the harvest of Spring Planting season. The project has now been on-going for six months and in late March the first evaluation of the project was held in the office of the USAID Director, Mr. Leonard Horwitz. The results of this meeting will be treated under "Evaluation".

We of CRS, as well as the Steering Committee members who have participated actively in the project, are satisfied with the progress made up to now. We realize that there is much to be done to improve the project but taking into consideration the short time the project has been in operation and the difficulties that had to be overcome in putting it in operation our consensus is that it has been successful.

Some of the problems we have had and which we hope to solve in the future could be the following.

TECHNICAL ASSISTANCE: For lack of a full-time agronomist for the program we all feel that we were not able to give the maximum assistance to the participants although even with the limited technical assistance given all groups were able to realize good crops.

HELPING THE "POOREST OF THE POOR"

Practically all of the participants in this project were relatively poor farmers with little or no possibility of receiving credit from local banks. We are conscious of the fact, however, that these are not the very poor and we feel that this group "Poorest of the Poor" would have difficulty in participating in this project as this group usually has no land and little or no farm knowledge. We do plan to study the possibility of assisting this group even if it means giving much easier credit - terms, as suggested by the USAID Director, even though we are not convinced that it is only a matter of repayment of the loan that keeps this group from participating. With the experience we have had in the first six months of the project and more time and opportunity to help organize groups for the coming Spring planting season, we hope to be able to find some solution to this Problem and have more participation on the part of the poorer families.

LACK OF PROFESSIONAL ASSISTANCE FOR NUTRITION. Health and sanitation Program.

As this is an integral development project it was always the intention to not only give credit for farm material to these groups, technical

assistance, etc. but also attend to the nutrition and health needs of these people. This phase of the project has not been fulfilled as yet but we are making plans to put this into practice this year. Contact have been made with the University school of Social Service and they have expressed interest in cooperating in this phase of the project, offering University students in their last year of studies to work part time in areas where we might have on-going projects. Contacts have also been made with the Ministry of Housing and Social Welfare to see what possibilities exist in that Ministry to offer social workers who can assist us in getting to the very poor.

We feel that good prospects now exist for more local input on the part of GOU institutions.

DECAPITALIZATION OF THE FUND

In a country such as Uruguay where currency devaluations are common, it is very difficult to maintain any Revolving Loan Fund even when it is "readjustable" a major devaluation this year of the Dollar in relation to the peso made this very clear once more.

The peso uruguayo had been more or less stable for nearly a year at 2,75 to the Dollar when in late January and early February the peso rose as high as 3,90 and then dropped to its present position of 3,70 to the Dollar.

This phenomenon occurred without too much of a variation in price of farm products meaning that our loans will be repaid at the value of the peso at 2,75 whereas the actual value of the Peso to the Dollar is 3,70. To maintain as much as possible the value of the funds we have been converting part of the leftover pesos and any future repayments into purchases of fertilizers and pesticides that have maintained the price line and which are essential items.

Project goals fulfilled up to now would be the fact that the steering committee has been formed consisting of CRS - Caritas - UCA - CAI - RU - and in as far as possible and within the means of each group the commitments to the project have been fulfilled. Very important has been the forming of groups to work together in their efforts to develop. People in the same area who had never before worked together are now forming themselves into Rural Cooperatives.

Good results being obtained by the farmers participating in this project, using correct methods of planting, fertilizing, curing, etc. have made an impression on neighbouring farmers who themselves have become convinced that there is a way to improve their situation.

was three times that realized in the past by these groups.

IV EVALUATION

To make the evaluation of this progress for this particular project progress report, we feel it appropriate to evaluate it based on the Logical Framework of the original project and for which we had an evaluation together with USAID in March. In order to do this, we will divide this evaluation into three parts - 1. Narrative Summary. 2. Outputs and 3. Project Purpose.

1. Narrative Summary

- (a) USAID had committed itself to invest US\$50,000 in the first phase of this project and this commitment has been fulfilled as CRS/Uruguay has received a total amount of US\$50,000 up to the present from USAID. The local USAID Mission has also assisted us with a technical advisor, visited project sites and assisted at meetings of the Steering Committee. USAID also arranged for the Evaluation of the project held in March and have committed themselves to a continuation of the project by requesting the second US\$50,000 from AID-Washington.
- (b) CRS has born the brunt of the responsibility of the project up to the present and hired a trained social worker to devote full time to the project. The CRS Director has given about 30% of his time to this project and both the Director and social worker form part of the Steering Committee.
- (c) MOVIMIENTO JUVENTUD AGRARIA has assigned an agronomist to this project to give technical assistance to the farmers and also to form part of the Steering Committee. We hope to convince the MJA officials that this agronomist should be on a full time basis in the future so as we can assure more technical assistance to the farmers.
- (d) CALFORU as also assigned two agronomists to this project but one of them took ill in the early stages of the project and could not fulfill his obligations. We hope that in the future CALFORU will be able to lend more technical assistance to

purchased through them. They also form part of the Steering Committees.

- (e) CARITAS URUGUAY has been responsible for the preparing and printing of the educational material used in the project. They have offered their experimental farm in Canelones for experiments and experiences with different types seeds and have visited various of the projects approved. Caritas also forms part of the Steering Committee. The promise of a trained social worker to work with the women of the area where the projects are being realized has not been fulfilled as yet.
- (f) GOVERNMENT OF URUGUAY has been paying the administration expenses of the CRS Program in Uruguay for the past four years and this must be considered as an important input. Nevertheless, the assistance from various Government Ministries such as Public Health and Housing and Social Welfare to become more involved in the project has not become a reality as yet but we hope that in the future more assistance will be coming from GOU Ministries.

2. OUTPUTS

- (a) Up to the end of March, some 19 loans had been given out totaling nearly US\$ 40,000. Several other projects are now under consideration for Fall Planting.
- (b) Written agreements have been signed between CRS and MJA, CALFO RU and CARITAS. Copies of these contracts have been furnished to USAID/Montevideo.
- (c) We have provided assistance as needed to community groups as listed in original project text. The first year of the project some 116 families totaling some 570 people have been assisted.
- (d) The second phase of the project was approved by USAID after the evaluation of the project in March. This will be put to use in the Spring planting season beginning in August.

3. PROJECT PURPOSE

- (a) Loan fund established and working smoothly.

1976. That figure could go to 250 hectares at end of 1976.

- (c) Report from agronomist of MJA and CALFORU indicate that in every project realized without exception, the crops of the participants have been more than doubled over the past year thanks to the technical assistance received from the project.
- (d) The steering committee meets every two weeks or oftener if necessary, to review new projects, approve or reject them, answer all correspondence from the field and plan field trips for next period.
- (e) - The inputs made by MJA, CALFORU and CARITAS, although sometimes limited, has made for the success of the project.
- (f) As the project has been functioning only a little over eight months, it is too early for CRS to withdraw from the project but it could be that by early 1977 a gradual withdrawal could begin leaving more responsibility in the hands of local organizations.
- (g) As we have not as yet made a nutritional study of the effects of this project on the participating members, ^{we} cannot as yet say if this has been achieved. This will certainly be part of our future efforts in this project.

To sum up this evaluation we would like to state that notwithstanding the various problems encountered, such as difficulties in the beginning of getting the funds on time, difficulties in getting good seeds at the time needed, lack of a full time agronomist to give more technical assistance to the project, non-fulfillment of the nutritional study and impact, we consider the project successful up to the present.

We feel that we have attempted to reach the small, relatively poor farmer in the Southern departments of Uruguay and have succeeded in part. We feel also that the results obtained by these farmers has had an impact on neighboring farmers who have expressed interest in future participation.

We feel that even though the technical assistance given by the agronomists of CALFORU and MJA was at times inadequate, not in quality but in quantity, the technical assistance that they have given was the principal reason for the success of the project. Some of the good crops are

We feel that one of the greatest achievements of the project to the present was the fact that it brought people together in groups to think, plan and work as a team which for rural people in Uruguay has not been too common. Directly or indirectly the project has brought about the formation of Comision de Fomento de Rural (rural cooperatives) in at least three new areas.

Drafted by

Herman Kruse
Herman Kruse

John P. Conroy

Approved By

John P. Conroy
John P. Conroy

April 23, 1976

Date