AID 1020-18 (10-70) REPORT U-446

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PROJECT APPRAISAL REPORT (PAR)

6210099 (4)

1. PROJECT NO.	2. PAR FOR PERIOD:	3. COUNTRY	4. PAR SERIAL NO.
621-11-150-099	10-1-72 TO 1-31-75	Tanzania	75-3 7p. PD-AAB-584-A1

5. PROJECT TITLE

Agricultural Marketing Development

6. PROJECT DURATION:	7. DATE LATEST PROP	8. DATE LATEST PIP	9. DATE PRIOR PAR
Began FY 1971 Ends FY 1979	March 9, 1971	-	-

10. U.S. FUNDING	a. Cumulative Obligation Thru Prior FY: $710,000	b. Current FY Estimated Budget: $ 155,000	c. Estimated Budget to completion After Current FY: $1,141,300

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

a. NAME	b. CONTRACT, PASA OR VOL. AG. NO.
Agricultural Cooperative Development International (ACDI)	AID/AFR-832

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

A. ACTION (X) USAID	A.D/W	HOST	B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
x		x	Continue discussions and support National Milling Corporation (NMC) as appropriate in bringing their reorganization plans to a conclusion.	Immediate
x		x	Urge NMC to reach a decision regarding their need for U.S. technical assistance.	ASAP
x	x		Review and respond to NMC's request for further technical assistance when received.	ASAP
x		x	Encourage NMC to complete their review of personnel staffing and training requirements to facilitate the movement of these people into training programs, including nominations for U.S. training.	Continuing
x	x	x	Pending a final decision on future project direction, an indepth evaluation should be considered for late FY 1976.	July 1976

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

E. DATE OF MISSION REVIEW: March 13, 1975

PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE	MISSION DIRECTOR: TYPED NAME, SIGNED INITIALS AND DATE
PRM:AO'Reilly/AGR:EWilliams	Acting Director:Richard L. Podol

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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: UNSATIS-FACTORY 1	2	SATISFACTORY 3	4	5	OUT-STANDING 6	7	C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X): LOW 1	MEDIUM 2	3	4	HIGH 5
1. ACDI				X								X
2.												
3.												

Comment on key factors determining rating: The four OPEX technicians in this project are assigned to and serve as operating officials of the National Milling Corporation. As such they have been completely immersed in NMC's role in the drought relief effort particularly during the past year. NMC as the government agency (parastatal) responsible for ensuring that adequate supplies of basic foodstuffs are available for consumption throughout the country has primarily had to focus its day-to-day operations on both the short and long-term implications of the drought relief program. This has involved the procurement of food grains in the overseas markets, supervision of the off-loading of grains on a priority basis in a congested port, ordering new port

(see continuation sheet - Page 5)

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

Comment on key factors determining rating: The pace of participant departures (for both U.S. and 3rd country) has been slow. This situation has been exacerbated first by the drought relief program since manpower could not be spared during this period and more recently by the proposed reorganization of NMC during which staff training requirements are being reviewed to ensure that ultimately NMC has an appropriately qualified staff with which to carry out its functions and responsibilities.

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

Comment on key factors determining rating: A modest amount of grant commodities such as vehicles/spare parts for U.S. technicians, miscellaneous office equipment/publications and training aids has been provided to support project activities. In addition, $60,000 in grant funds helped to defray costs of housing construction for U.S. technicians.

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

Comment on key factors determining rating: Cooperating Country - The environment at National Milling Corporation has been conducive to good working relationships. Recommendations, advice, suggestions have all been received and treated with the consideration they merited. However, there appears to be a weakness in the decision-making process which affects project implementation. For example, early in the project before the country was in the throes of the drought, NMC was slow in approving candidates for participant training; the reorganization which has more recently affected the selection of candidates for training has dragged on for several months. Hopefully, once the reorganization is accomplished this weakness will have been corrected by the establishment of a planning unit which will provide the General Manager the information and advice he needs to perform his function as the chief executive officer of the organization. (see continuation sheet - Page 5)

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

(See Next Page for Comments on Other Donors)

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

1. SIDA (Sweden) planning to construct grain silos at new mill sites.

2. CIDA (Canada) has provided for the construction of an automated bakery which is nearing completion.

III. KL OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					
		CUMULATIVE PRIOR FY	CURRENT FY '75 TO DATE	CURRENT FY '75 TO END	FY ___	FY ___	END OF PROJECT
Participant Training (accounting, grain storage, agricultural marketing, price policy, international trade/business administration)	PLANNED	1/	1/	1/	1/	1/	18
	ACTUAL PERFORMANCE	3	3 2/				
	REPLANNED			3/	3/	3/	3/
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						

B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	COMMENT:
1. Development of NMC's capability in accounting and financial analysis.	NMC's accounting system has been redesigned and unified accounting procedures implemented for operations involving grain handling, milling and processing. Accounts Department staff are receiving on-the-job training in the recently installed semi-computerized accounting system.
2. Develop NMC's capability to provide for the storage and transportation of food grains.	A preliminary study has been made of existing and required transportation facilities. A quality control training course has been implemented. Potential food requirements for each distribution area have been analyzed. Plans to improve and expand storage facilities are being considered.
3. Development of NMC's capability in planning and economic analysis.	Feasibility studies and documentation have been prepared to obtain loan financing of four new maize mills. A 5-year development program to accommodate a doubling of present volume of marketable grains to be handled by NMC has been prepared.

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IV. PROJECT PURPOSE

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

Assist the Government of Tanzania to establish marketing and processing institutions which will ensure a capability to process and distribut an adequate supply of/foodstuffs to consumers and provide reliable markets for Tanzanian food grain producers.3/

3/ as stated in FY 75 ProAg, and a modification of the objective as stated in the PROP when NAPB as a major parastatal marketing organization was responsible for marketing both food and cash crops.

B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward those conditions.
1. Adequate up-to-date information concerning operations and finances is available to NMC management as a basis for decision-making.	1. Increased accounting department capability has provided management with financial data which has assisted them in operational decisions and in acquiring local financing.
2. Storage and transportation facilitate the movement of food grains throughout the country.	2. During the food shortage massive amounts of food grains are being transported to people throughout the country. Some of the measures are of an interim or temporary nature but it is expected that from these operations more permanent infrastructure will be established for future use.
3. Reliable marketing facilities encourage the production and marketing of food grains by small farmers.	3. Until food production returns to a more normal pattern, progress in establishing reliable markets will remain slow.
4. Processing facilities are able to meet the domestic demand for basic food products.	4. Plans for construction of new milling/processing facilities are underway.
5. A national distribution network efficiently distributes basic foodstuffs to consumers.	5. Areas remain where shortages of food exist. NMC is working to improve both the supply and distribution of food to all areas of the country.

V. PROGRAMMING GOAL

A. Statement of Programming Goal

To assist the Government of Tanzania achieves its objectives of self-sufficiency and expand exports as appropriate in the food crops and livestock agricultural sub-sectors.

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.

Yes. If the small farmer has been persuaded to plant the high yielding seeds (provided by the Ag Research and Seed Multiplication projects) and to use the credit and improved agronomic practices (of other projects), then the storage/transportation facilities, markets and distribution network will enable NMC to satisfy consumer demand throughout the country.

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

Continuation of Page 3 - outputs -

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					
		CUMULATIVE PRIOR FY	CURRENT FY TO DATE	CURRENT FY TO END	FY ___	FY ___	END OF PROJECT
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						

B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS

4. Improve and strengthen NMC's marketing of basic foodstuffs.

COMMENT: An in-service training program on marketing has been established. A data collection system to maintain a continuous pricing chart on maize and wheat has been established. The grain marketing infrastructure network has been reorganized. The unique food importation/distribution systems used during the 1974 emergency have been analyzed to aid in developing plans for future operations.

3.

COMMENT:

1/ PROP authorized total of 18 participants without specifying short or long-term and number to be trained each year.

2/ Returned participants including GAPEX and CATA.

3/ To be replanned in PROP revision.

II.A.1. Action Agent (continued)

handling equipment, establishing distribution centers to facilitate the movement of grain into the remote rural areas, mobilizing transportation for distribution of the grain into the interior of the country, recommending changes in prices that would encourage farmers to sell any accumulated surplus as well as to allow NMC to recover part of the importation costs from the consumer.

In addition, 30,000 MT grant food grains have been approved under the PL 480 Title II program for Tanzania. To facilitate control and reporting, NMC has within its established procedures provided for specific identification and accounting for PL 480 commodities. This exercise was used by management as an example to demonstrate how all relief supplies could be distributed and accounted for.

Since there has been no local public criticism of the administration of the drought relief program, it is believed that the massive imports of food grains which have strained the storage, transportation and distribution facilities are being managed in a commendable manner.

It is impossible to judge how effective the contract team has been under the circumstances or might have been under more normal conditions in meeting original project objectives. One exception to this is in the area of NMC's accounting system where the Deputy Chief Accountant has made good progress in increasing NMC's capability.

II.A.6. Cooperating Country (continued)

It should be noted that the PROP and original PROAG provided for technical assistance to the National Agricultural Products Board (NAPB) or any successor organization. NAPB was dissolved in US FY 1974 and its functions assigned to the National Milling Corporation (NMC), Cashewnut Authority of Tanzania (CATA), and General Agricultural Products Export Corporation (GAPEX). By agreement with the Ministry of Agriculture the four AID-supplied contract technicians were transferred to NMC as of September 17, 1973 and assigned positions and duties in that organization. AID technical assistance under this project is focused or centered in NMC, but limited technical assistance as agreed by USAID and MinAg may be given to CATA and GAPEX.

Further that NMC at the present time is in the process of a reorganization which will involve top management positions. USAID has participated in the preliminary discussions of this reorganization but until the final decisions are made by NMC as to the structure and direction the organization will take, very little planning on the USAID's part can be accomplished. For example, until we know the form and magnitude of NMC's requirement for technical assistance, the PROP revision is in abeyance and the future

II.A.6. of the present U.S. technicians is uncertain. However, the Deputy Development/Financial Director (Johnson) has indicated that he does not plan to return to Tanzania when his present tour is finished in June, 1975. The Deputy Chief Accountant (team leader Samman) returned from home leave November 16, 1974 "for a minimum tour of 12 months" (at MMC's request); the Deputy Marketing Manager's (Malyn) first tour will be completed in May, 1975; and the Deputy Storage/Transport Manager will complete his tour in October, 1975.