

PROJECT APPRAISAL REPORT (PAR)

306 0002 (17)

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1. PROJECT NO. 30C-11-190-002.3	2. PAR FOR PERIOD: 3/1/70 TO 2/1/71	3. COUNTRY Afghanistan	4. PAR SERIAL NO. 71-7
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5. PROJECT TITLE

PD-AAC-431-G1

National Agriculture Development -- Development Services

6. PROJECT DURATION: Began FY 1966 Ends FY 1972	7. DATE LATEST PROP 11/17/69	8. DATE LATEST PIP March 1970	9. DATE PRIOR PAR 2/28/70
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10. U.S. FUNDING	a. Cumulative Obligation Thru Prior FY: \$ 643	b. Current FY Estimated Budget: \$ 206	c. Estimated Budget to completion After Current FY: \$ 223
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11. KEY ACTION AGENTS (Contractor, Participating Agency or Voluntary Agency)

a. NAME None	b. CONTRACT, PASA OR VOL. AG. NO.
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I. NEW ACTIONS PROPOSED AND REQUESTED AS A RESULT OF THIS EVALUATION

A. ACTION (X)			B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
USAID	AID/W	HOST		
		X	-Enabling action to provide policy and incentives for importation, distribution and sales of agricultural inputs by the private sector.	Immediately
X		X	-Study RGA budgetary, administrative and management reform requirements at the provincial and national levels.	FY 1971
		X	-Pay and allowances should be increased.	ASAP
		X	-Better inventory, accounting and records system for commodity control.	Immediately
		X	-Completion of fertilizer and seed warehouses and seed processing facilities.	FY 1971
X		X	-Increase in numbers of qualified trainees for the NFM TC and redirect training in next Project Agreement and PROP.	July 1971
X		X	-Closer coordination with the Ag. Dev. Bank.	FY 1971 - 73
		X	-Electricity for the National Seed Laboratory.	Immediately
X		X	-Greater coordination with various Mission and RGA components (e.g., Faculty of Agriculture, PA Division).	FY 1971 - 73

AGR: J. Motheral, R. M. SPAD/DP: C.H. Uyehara

D. REPLANNING REQUIRES						E. DATE OF MISSION REVIEW	
REVISED OR NEW:	<input type="checkbox"/> PROP	<input type="checkbox"/> PIP	<input type="checkbox"/> PRO AG	<input type="checkbox"/> PIO/T	<input type="checkbox"/> PIO/C	<input type="checkbox"/> PIO/P	February 25, 1971
PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE Charles R. Jenkins <i>CRJ</i> 3/15/71				MISSION DIRECTOR: TYPED NAME, SIGNED INITIALS AND DATE Bartlett Harvey <i>BH</i> 3/15/71			

II. PERFORMANCE OF KEY INPUTS AND ACTION AGENTS

A. INPUT OR ACTION AGENT CONTRACTOR, PARTICIPATING AGENCY OR VOLUNTARY AGENCY	B. PERFORMANCE AGAINST PLAN							C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X)				
	UNSATISFACTORY		SATISFACTORY			OUTSTANDING		LOW		MEDIUM		HIGH
	1	2	3	4	5	6	7	1	2	3	4	5
1. None												
2.												
3.												

Comment on key factors determining rating

NA

4. PARTICIPANT TRAINING													
					X								X

Comment on key factors determining rating

Participant availability and trainee selection are factors judged superior and critical to project success. On the other hand, appropriate facilities and equipment for returned participants are judged a critical and negative factor.

5. COMMODITIES													
			X							X			

Comment on key factors determining rating

Some equipment at the National Seed Laboratory cannot be used because of the lack of electricity.

6. COOPERATING COUNTRY	a. PERSONNEL												
					X								X
	b. OTHER		X										X

Comment on key factors determining rating

The following critical factors are judged to have had a negative impact during the reporting period: ability to implement plans, adequacy of pay and allowances, management of commodities, cooperation within the host government, availability of reliable data/statistics, legislative changes relevant to the project, physical resource inputs and resolution of bureaucratic problems.

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

Strengthening of relationships between USAID and the IBRD and UNDP through the Agricultural Development Bank will accelerate project progress, i. e. ^{provide} credit.

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS	TARGETS (Percentage/Rate/Amount)						END OF PROJECT
	CUMULATIVE PRIOR FY	CURRENT FY		FY 72	FY 73		
		TO DATE	TO END				
Private retail sales outlets in strategic areas	PLANNED	123	123	203	293	393	393
	ACTUAL PERFORMANCE	83	83				
	REPLANNED			143	*	393	393
Trained MAI administrative and regulatory staff	PLANNED	45	50	55	75	100	100
	ACTUAL PERFORMANCE	44	48				
	REPLANNED			54	*	95	95
Seed processing plants	PLANNED	2	3	3	3	3	3
	ACTUAL PERFORMANCE	2	2				
	REPLANNED			2	3	3	3
National Farm Machinery Training Center graduates (annual)	PLANNED	25	0	25	30	40	40
	ACTUAL PERFORMANCE	0	0				
	REPLANNED			12	Number of trainees to be determined in FY 72 ProAg		
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	COMMENT: It is hoped that by 6/30/73, 90% of all fertilizer will be imported, distributed and sold by the private sector. To date, private sector involvement has been limited to retail sales. Recently, however, interested private importers, with the encouragement and endorsement of the RGA, contacted regional suppliers concerning possible involvement in fertilizer market- in Afghanistan.						
1. Fertilizer imported and distributed by private sector							
2. Foundation and commercial wheat seed	COMMENT: It is planned that 3314 MT of foundation wheat seed will be produced and distributed during each FY 71-72-73 and that commercial wheat seed will be produced and distributed at the rate of 9500 MT in FY 71, 27,000 MT in FY 72, and 60,000 MT in FY 73. This seed should approach world standards in quality by the end of the project. Beyond this fundamental base, the seed industry should expand into other field and vegetable crop seed.						
* The approach and degree of private sector and RGA involvement during the next 18 months or so ^{are} not clear. It is hoped, nevertheless, that the end-of-project target will be met.							

** Targets, numbers, mentioned in this PAR may be revised when a new PROP is prepared in CY 71.

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IV. PROJECT PURPOSE *

- A. 1. Statement of purpose as currently envisaged. 2. Same as in PROP? YES NO
- Establish the rudiments of a private agro-business sector capable of providing agricultural inputs (fertilizer, seed, pesticides) at a cost, time and place required by the farmer.
 - Establish the rudiments of a seed industry capable of meeting the needs of Afghanistan by utilizing both private and public resources.
 - Expansion of Afghanistan's capability for maintaining and operating farm machinery in both the private and public sectors.

<p>B. 1. Conditions which will exist when above purpose is achieved.</p> <p>A) Functioning and expanding network of distribution and sales outlets capable of providing basic agricultural inputs.</p> <ul style="list-style-type: none"> -Realistic framework of guidelines officially adopted by the RGA outlining standards, grades and regulations required to sustain a regulated seed and fertilizer industry. <p>B) Production by the RGA of quality foundation wheat seed to meet the demands of the commercial seed growers.</p> <ul style="list-style-type: none"> -Production of quality wheat seed by commercial growers to meet the demands of the nation's producers. <p>C) A pool of adequately trained farm mechanics and machinery operators to meet the expanding needs of mechanized agriculture.</p>	<p>2. Evidence to date of progress toward these conditions.</p> <p>A) 83 outlets are functioning though it had been planned that 123 would be operating at this time.</p> <ul style="list-style-type: none"> -No fertilizer is yet being legally imported privately though discussions are being held with regional suppliers. -Basic guidelines were adopted in Sept. 1970 to provide for private distribution of fertilizer from MAI regional warehouses to local retail sales outlets. More needs to be done however. <p>B) Foundation wheat seed harvested during the summer of 1970 provided 7,000 M T of seed.</p> <ul style="list-style-type: none"> -The availability of commercially produced seed will, in the future, provide a source of improved quality seeds for the farmer. <p>C) The first class of 12 should graduate in March 1971. Budgetary limitations have not permitted the level of student enrollment (25) that was originally planned. Training of farm machinery operators is proceeding as planned. A revision of this project is being considered during CY 1971.</p>
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V. PROGRAMMING GOAL

- A. Statement of Programming Goal
- To assist the RGA create the technical, institutional and policy framework capable of setting in motion a sustained increase of wheat production, with self-sufficiency to be achieved by 1972 and permitting increased diversification and more broadly based agricultural growth in the subsequent decade.
 - To encourage and assist the mobilization, wise investment and efficient management of public and private resources directed toward achieving a sharply increased rate of economic growth.
- 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.
- The public sector has not been able to adequately handle large-scale distribution and sales of agricultural inputs. While the Afghan private sector is only partially developed to meet this need, experience in nearby developing countries indicates the feasibility of this approach.
 - Increased availability of improved wheat seed has resulted in important production increases throughout the country. To continue increasing wheat production to meet national goals, a continuous source of good quality seed is essential.
 - Training provided through NFMTC facilities has increased the capability of farm machinery operators and improved the maintenance of farm machinery on research stations throughout the country.

* Targets, numbers, mentioned in this PAR may be revised when a new PROP is prepared in CY 1971.