

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT PAPER FACESHEET

1. TRANSACTION CODE
 A = ADD
 C = CHANGE
 D = DELETE

2. DOCUMENT CODE
 PP
 3

3. COUNTRY/ENTITY
 DSB - DS/N

4. DOCUMENT REVISION NUMBER
 4

5. PROJECT NUMBER (7 digits)
 931-0225.14

6. BUREAU/OFFICE
 A. SYMBOL DSB B. CODE 36

7. PROJECT TITLE (Maximum 40 characters)
 Soybean Utilization

8. ESTIMATED FY OF PROJECT COMPLETION
 FY

9. ESTIMATED DATE OF OBLIGATION
 A. INITIAL FY 716 B. QUARTER
 C. FINAL FY 810 (Enter 1, 2, 3, or 4)

10. ESTIMATED COSTS (\$000 OR EQUIVALENT \$1 -)

A. FUNDING SOURCE	Thru FY 77 FIRST FY			LIFE OF PROJECT		
	B. FX	C. L/C	D. TOTAL	E. FX	F. L/C	G. TOTAL
AID APPROPRIATED TOTAL	585			1322		1322
(GRANT) FN	(585)	()	()	(1322)	()	(1322)
(LOAN)	()	()	()	()	()	()
OTHER 1.						
U.S. 2.						
HOST COUNTRY						
OTHER DONOR(S)						
TOTALS	585			1322		1322

11. PROPOSED BUDGET APPROPRIATED FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		E. 1ST FY Thru 77		H. 2ND FY 78		K. 3RD FY 79	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	I. GRANT	J. LOAN	L. GRANT	M. LOAN
(1) FN	330			585		347			390
(2)									
(3)									
(4)									
TOTALS				585		347			390

A. APPROPRIATION	N. 4TH FY		O. 5TH FY		LIFE OF PROJECT		12. IN-DEPTH EVALUATION SCHEDULED
	P. GRANT	Q. LOAN	R. GRANT	S. LOAN	T. GRANT	J. LOAN	
(1) FN					1322		<input type="checkbox"/> MM <input type="checkbox"/> YY <input type="checkbox"/> MM <input type="checkbox"/> YY
(2)							
(3)							
(4)							
TOTALS					1322		

13. DATA CHANGE INDICATOR. WERE CHANGES MADE IN THE PID FACESHEET DATA, BLOCKS 12, 13, 14, OR 15 OR IN PRP FACESHEET DATA, BLOCK 12? IF YES, ATTACH CHANGED PID FACESHEET.

1 = NO
 2 = YES

14. ORIGINATING OFFICE CLEARANCE

SIGNATURE
 Martin J. Forman *J. Forman*

TITLE
 Director, Office of Nutrition

DATE SIGNED
 MM DD YY

15. DATE DOCUMENT RECEIVED IN AID/4, OR FOR AID/4 DOCUMENTS. DATE OF DISTRIBUTION
 MM DD YY

PAGE 01

LA PAZ 05891 261311Z

7720

ACTION AID-20

INFO OCT-01 /821 W

P 261301Z JUL 78
FM AMEMBASSY LA PAZ
TO SECSTATE WASHDC PRIORITY 1815

UNCLAS LA PAZ 5891

AIDAC

E. O. 11652: N/A
SUBJECT: DS/N SOYBEAN UTILIZATION PROJECT-
NORTH CAROLINA UNIVERSITY (NCU)

REF: STATE 184723

1. MISSION AND GOB APPROVED CONTINUATION OF SUBJECT PROJECT WITH TWO REQUIREMENTS:
 - A) IT IS A PILOT PROJECT;
 - B) BOLIVIANS WILL BE INTEGRALLY INVOLVED IN ALL STAGES OF DATA GATHERING, ANALYSIS AND REPORT WRITING.

2. MISSION CONCURS EDOZIEN AND POPKIN TRAVEL. REQUEST DS/N ADVISE OF ANY MODIFICATIONS TO PROJECT TO INCLUDE FULLER BOLIVIAN PARTICIPATION PER PARA. 1
BOEKER

ADDITIONAL COPY

062765 261313Z 743
JUL 20 1978

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS PART I	1. TRANSACTION CODE <input type="checkbox"/> A = ADD <input type="checkbox"/> C = CHANGE <input type="checkbox"/> D = DELETE	PAF 2. DOCUMENT CODE 5
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3. COUNTRY/ENTITY DSB - DS/N	4. DOCUMENT REVISION NUMBER <div style="border: 1px solid black; width: 20px; text-align: center; margin: 0 auto;">4</div>
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5. PROJECT NUMBER (7 digits) <div style="border: 1px solid black; padding: 2px;">931-022514</div>	6. BUREAU/OFFICE <table style="width:100%; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; width: 50%;">A. SYMBOL DSB</td> <td style="border: 1px solid black; width: 50%;">B. CODE 36</td> </tr> </table>	A. SYMBOL DSB	B. CODE 36	7. PROJECT TITLE (Maximum 40 characters) <div style="border: 1px solid black; height: 20px;"></div>
A. SYMBOL DSB	B. CODE 36			

8. PROJECT APPROVAL DECISION <input type="checkbox"/> A = APPROVED <input type="checkbox"/> D = DISAPPROVED <input type="checkbox"/> DE = DEAUTHORIZED	9. EST. PERIOD OF IMPLEMENTATION YRS. <div style="border: 1px solid black; width: 20px; height: 20px; display: inline-block;"></div> QTRS. <div style="border: 1px solid black; width: 20px; height: 20px; display: inline-block;"></div>
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10. APPROVED BUDGET AID APPROPRIATED FUNDS (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE				N. 2ND FY <u>78</u>		K. 3RD FY <u>80</u>	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	I. GRANT	J. LOAN	L. GRANT	M. LOAN
(1) FN	330	330		585		347		390	
(2)									
(3)									
(4)									
TOTALS						347		390	

A. APPROPRIATION	N. 4TH FY		Q. 5TH FY		LIFE OF PROJECT		11. PROJECT FUNDING AUTHORIZED		A. GRANT	B. LOAN
	O. GRANT	P. LOAN	R. GRANT	S. LOAN	T. GRANT	U. LOAN	(ENTER APPROPRIATE CODE(S)) 1 = LIFE OF PROJECT 2 = INCREMENTAL LIFE OF PROJECT			
(1)					1322				2	
(2)										
(3)										
(4)										
TOTALS						1322			8	0

12. INITIAL PROJECT FUNDING ALLOTMENT REQUESTED (\$000) <table style="width:100%; border-collapse: collapse;"> <tr> <th rowspan="2">A. APPROPRIATION</th> <th colspan="2">B. ALLOTMENT REQUEST NO.</th> </tr> <tr> <th>C. GRANT</th> <th>D. LOAN</th> </tr> <tr> <td>(1)</td> <td></td> <td></td> </tr> <tr> <td>(2)</td> <td></td> <td></td> </tr> <tr> <td>(3)</td> <td></td> <td></td> </tr> <tr> <td>(4)</td> <td></td> <td></td> </tr> <tr> <td colspan="3">TOTALS</td> </tr> </table>	A. APPROPRIATION	B. ALLOTMENT REQUEST NO.		C. GRANT	D. LOAN	(1)			(2)			(3)			(4)			TOTALS			13. FUNDS RESERVED FOR ALLOTMENT TYPED NAME (Chmt, NKR/PM/PSD) _____ SIGNATURE _____ DATE _____
A. APPROPRIATION		B. ALLOTMENT REQUEST NO.																			
	C. GRANT	D. LOAN																			
(1)																					
(2)																					
(3)																					
(4)																					
TOTALS																					

14. SOURCE/ORIGIN OF GOODS AND SERVICES
 000
 041
 LOCAL
 OTHER _____

15. FOR AMENDMENTS, NATURE OF CHANGE PROPOSED

The purpose of the amendment is to increase project level by \$347,000 from \$975,000 to \$1,322,600 and to extend the completion of services date from 9/1/79 to 6/30/80.

FOR PPC/PIAS USE ONLY	16. AUTHORIZING OFFICE SYMBOL	17. ACTION DATE				18. ACTION REFERENCE (Optional)	ACTION REFERENCE DATE			
		MM	DD	YY	MM		DD	YY		

PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS

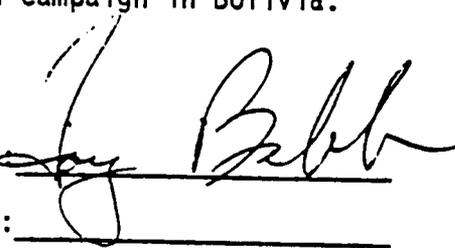
PART II

ENTITY: DEVELOPMENT SUPPORT BUREAU

PROJECT: SOYBEAN UTILIZATION

PROJECT NUMBER: 931-0225

A.I.D. grant financing in the amount of \$347,000 will be provided for the Soy Utilization activity as an increase to the ongoing approved project. These funds will provide a 10 month extension of the project from September 1, 1979, to June 30, 1980, to provide for further developing and extending the soybean introduction campaign in Bolivia.

APPROVED: 

DISAPPROVED: _____

DATE: _____

Clearances:

DS/N, M.J. Forman	<u>OK (for)</u>	Date: <u>8/17/78</u>
LA/SA, R. Burke	_____	Date: _____
LA/DR, B. Sandoval	_____	Date: _____
DS/PO, C. Kassebaum	<u>/S/</u>	Date: _____
DS/PO, K. Milow	_____	Date: _____
DS/PO, R. Simpson	<u>/S/</u>	Date: <u>3/20/78</u>

August 4, 1978

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR FOR DEVELOPMENT
SUPPORT BUREAU

THRU: DS/PO, Robert C. Simpson *rcs*
THRU: DAA/FN/DS, Eugene N. Babb
FROM: DS/N, Martin J. Forman *Martin J. Forman*

Problem: The subject project is being implemented in Bolivia by the University of North Carolina (UNC), which was selected through the RFP process. Unexpected delays in implementing the project and unanticipated expenditures in connection with soybean procurement and project staffing require that (a) funds be increased, and (b) the duration of project be extended. Approval is, therefore, requested for an increase of \$346,600 in project funds from \$975,000 to \$1,321,600, and for extension of project life from September 1, 1979, to June 30, 1980.

Discussion: The soybean utilization project is designed to test the feasibility of introducing soybeans as a food staple among the rural poor in a selected LDC. Based on this experience, the contractor will prepare a manual to be used by others who hope to introduce soybeans as a "direct" food within the host countries.

The contract calls for site selection and development of the workplan during a 12 month Phase I. A.I.D. can accept or request revision of the design, including the scope of work and the timing. Phase I has been completed. The sequence of events leading to the present requests for additional time and funds follows:

(1) Site Selection

Country site selection was made by a UNC/USDA team. The team concluded that the project could be carried out in either Chile, Colombia, or Bolivia. However, Chile was the only country where the project could be successfully completed within the funding level and the time frame specified in the contract (\$769,000, three years). DS/N decided that Chile was not typical of the poorer countries in which we would plan to apply the methodologies developed.

For this reason, DS/N chose to implement the project in Bolivia, a country at a relatively lower level of development than Chile, and

presumably a better test of feasibility of reaching the project goal. In addition, because of DS/N's concern with weaning practices, the contractor was asked to examine general weaning practices in the study population. It was rationalized that if a problem was identified, appropriate message(s) to improve weaning practices could be incorporated into the promotional campaign for introducing soybeans. The weaning practice component and the selection of Bolivia added \$206,000 to the project cost and six months to the project duration (\$975,000, 3½ years).

After Bolivia was selected as the project site, the field phase of the study was subcontracted to the "Greater University of San Simon" at Cochabamba. The field work is being carried out in three areas in the Cochabamba region. However, due to the time required for changes in scope of the project and because of problems in implementing the project in Bolivia, completion of Phase I was delayed by approximately five months.

(2) Soybean Procurement

As outlined in the Scope of Work of the contract, UNC was required to develop "a plan for the establishment of a supplementary marketing system for soybeans if the existing marketing system is judged not to be adequate to assure that the intended consumers have accesses to soybeans."

UNC advised us on December 30, 1977, that because soybeans were not available in the existing consumer market test area and because local entrepreneurs were not prepared to develop a soybean distribution system in Cochabamba, additional funds would be needed to subcontract with Bolivian organizations to process, package and distribute soybeans. UNC estimated that up to 280 tons of soybeans would be required.

Since procurement of soybeans had to be made in the Spring of 1978, if soybeans were to be available for the project, it was considered prudent to proceed with procurement of soybeans. However, no additional funds were provided. Instead, the soybean promotion campaign was reduced from 18 months to 13 months and the money saved used for processing, packaging and distribution of soybeans. This interim solution permitted Phase I to be completed and the critical review of Phase I to be conducted in an orderly fashion. The contract was amended to reflect these changes.

(3) Review of Phase I

The promotional campaign was reviewed by staff personnel and consultants at a meeting in Chapel Hill on April 19-20. It was concluded that the

design of the soy promotion campaign should be strengthened and the duration lengthened to the original period of 18 months. Without these changes, we believe the project is unlikely to achieve its original goals.

Subsequently, both the Mission and GOB reviewed the project, concurred in our assessment and approved continuation of the project (Attachment B). The GOB also requested that Bolivians be involved in all stages of data gathering, analysis and report writing. This will be done. To insure greater involvement of Bolivians in data processing and analyses, the Bolivian project director and two Bolivian technicians will be located at UNC for approximately three months during the period of data analyses.

We believe there are three basic options available to A.I.D. in connection with this project.

Options

(1) Add funds to strengthen and extend the project, (2) Continue the project without modification, and (3) Terminate the project.

--Strengthening the project by adding a full-time, experienced campaign manager, by redesigning the soybean promotion campaign including pretesting of alternative campaign strategies by providing for greater involvement by Bolivian project personnel in data processing and analysis, and by extending the duration of the campaign from 13 months to 18 months would, we believe, lead to a strong campaign with good possibilities for success in Bolivia. Furthermore, implementation of the strengthened campaign would be expected to provide a model which would be worthy of development as a "how-to" manual for replication elsewhere. Thus, the strengthened project would be expected to meet the original project objectives.

The GOB and USAID/Bolivia have been consulted regarding the proposed changes and both groups strongly endorse the plans for carrying out the strengthened project.

Strengthening the project would require additional funds in the amount of \$346,600 which would bring total project costs to \$1,321,600. In addition, the project would need to be lengthened by 10 months in order to provide for redesign and extension of the campaign. Thus, a substantial increase in A.I.D. resources would be required to exercise this option. (Attachment A)

--Continuing the project without modification would result in a relatively weak project with only fair to poor chances of reaching the original project objectives of introducing soybeans as food staple in Bolivia and of developing a useful manual on how to introduce soybeans elsewhere. If the project were to fail under these circumstances, it would be difficult to know whether failure were due to weakness in the project or to the inherent difficulty in introducing soybeans as a new food. Furthermore, if the project were to fail, it would be difficult to induce additional efforts to promote soybeans because of natural aversions to repeat unsuccessful activities, even if it were recognized that the project had not received adequate support to make it viable.

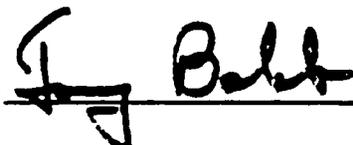
--Termination of the project is the only reasonable recourse if it concluded that the project is too weak to continue but additional funds required to strengthen the project cannot be allocated. The consequences of termination would be: (a) the funds and effort already devoted to the project would be partially if not totally lost (some of the information collected in Cochabamba and the collection methodology developed by UNC would probably be useful to the GOB), (b) the momentum developed by UNC and counterparts in Bolivia would be destroyed and would result in negative attitudes due to the unanticipated termination of the project, and (c) the A.I.D. interest in soybean utilization, which is still an important aspect of DSB and Mission development efforts, would go unrealized.

After considering the implications of the three options, it seems clear that Option I (strengthening the project) represents the preferred course of action. Option I gives maximum assurance that soybeans will be accepted in the diets of Bolivian people, that past project expenditures will be utilized effectively, that relations with the GOB and other institutions will not be jeopardized and that future efforts to promote soy utilization will be based on information gained from a solid, well-executed project. We believe the additional costs and time associated with implementing Option I are completely compatible with A.I.D.'s priority to help the rural poor by expanding the production and utilization of soybeans.

Recommendation: It is recommended that you approve an increase of \$346,600 in total funding of the project, and an extension in duration of 10 months from September 1, 1979, to June 30, 1980, by signing Part II of the attached PAF.

Attachment:
PAF, Part II

APPROVED: _____



Date: 30.8.79

DISAPPROVED: _____

Date: _____

REVISED BUDGET

FR: 8/02/76
TO: 6/30/80

Category

Salaries and Wages	\$ 230,121
Fringe	36,600
Overhead	110,757
Consultants	44,000
Travel and Per Diem and Transportation	80,040
Equipment and Materials	48,481
Supplies and Duplication	19,652
Other Direct Costs	49,034
Subcontracts	
(a) Greensboro	\$ 86,902
(b) Local Institution	503,817
(c) SAO	<u>111,233</u>
	701,952
Total Estimated Cost	\$1,321,600

ATTACHMENT A

Revised Work Scope and Proposed Budget

1. The product testing and promotion campaign evaluation activity will be extended and strengthened prior to the initiation of the promotional phase. During this period, extensive testing and evaluation of the following products will be undertaken in the test area:

- Packaged uncooked soy beans
- Puffing of soy beans
- Precooked soy beans
- Recipes
- 1-minute radio jingles
- 15-minute radio presentations
- Posters
- Other educational materials

Five months will be allowed for this activity. A media expert will be added to the University of North Carolina team to assist with the design and testing of media and other educational materials. A full-time senior person with experience in advertising and in product testing and evaluation will also be included in the Bolivian team to assist with the design of evaluation instruments and assume responsibility for the testing and evaluation. He will also be directly responsible to the Project Director for the conduct of the campaign during the promotional phase.

Cost Estimates for Product Testing and Evaluation

(a) UNC Media Expert (26 months)	\$ 23,828
(b) Bolivian Evaluation Expert (26 months)	28,659
(c) 5-month costs	
UNC - Chapel Hill	50,737
UNC - Greensboro	8,440
University of San Simon	<u>58,057</u>
Subtotal	\$117,234
TOTAL	\$169,721

Soybeans. SAO has donated to the project \$5,000 worth of soybeans to be given as free introduction samples to households in the test area. Part of this gift will be used for product testing and evaluation.

ATTACHMENT A (Cont'd)

2. Promotional Phase

(a) The duration of the promotional phase will be restored to 18 months, i.e., a 5 month's extension to the currently planned period of 13 months. This longer period will not only increase the chances of success of the project, but it will also provide ample time for the development of a normal marketing system which can continue to make soybeans available to the test population after the termination of the project.

In addition, greater involvement of Bolivian project personnel will be achieved in data processing and analysis by locating the Bolivian project director and two technicians at UNC for approximately three months during the period of data analysis.

Cost Estimates for 5-Month Extension of Promotional Phase

UNC - Chapel Hill	\$ 66,550
UNC - Greensboro	8,440
University of San Simon	67,558
SAO (Soybean Processing)	34,331
Total	<u>\$176,879</u>

(b) Development of a Marketing System

No provision has been included in the above estimates for the development of a marketing system. It is proposed that the money realized from selling soybeans be utilized for this purpose. The estimated income from this operation is \$1.23 per kilogram of soybeans sold.

3. Revised Time Schedule

Selection of country and finalization of other administrative and contractual matters	8/02/76-6/21/77
Data collection and diagnostic phase	6/22/77-4/30/78
Product testing and evaluation	5/01/78-9/30/78
Promotional phase	10/01/78-3/31/80
Evaluation	2/01/80-3/31/80
Preparation of final reports	4/01/80-6/30/80

ATTACHMENT A (Cont'd)
BREAKDOWN OF ADDITIONAL COSTS

	<u>5 Month Evaluation</u>	<u>5 Month Promotion and Analysis</u>
UNC-CH (excluding media person)		
Salaries	22,515	22,515
Overhead	10,836	10,836
Fringe	3,413	3,413
Supplies	2,423	2,423
Travel	5,425	26,238
Communication:	1,125	1,125
Computer	5,000	-
	<u>50,737</u>	<u>66,550</u>
UNC-G		
Salaries	5,424	5,424
Fringe	976	976
Overhead	2,040	2,040
	<u>8,440</u>	<u>8,440</u>
U of San Simon (excluding eval- uation person)		
Salaries	36,125	43,225
Fringe	16,223	18,623
Communications	850	850
Supplies	1,293	1,293
Travel (vehicle maint)	2,316	2,317
Radio Time	1,250	1,250
	<u>58,057</u>	<u>67,558</u>
SAO		34,331
TOTALS	117,234	176,879
UNC Media Expert		23,828
Bolivia Evaluation Expert		<u>28,659</u>
TOTAL		216,500