

931093L ①

PD-AAC-985-B1

NONCAPITAL PROJECT PAPER (PROP)

Country Interregional Project No. _____

Submission Date Dec. 25, 1970 Original X

Project Title MANAGEMENT CAPABILITY FOR AGRICULTURAL DEVELOPMENT
(Short title, "Ag Management")

U.S. Obligation Span: FY 1971 through FY 1975

Physical Implementation Span: FY 1971 through FY 1976

Gross life-of-project financial requirements: \$1,365,000

NONCAPITAL PROJECT FUNDING (OBLIGATIONS IN \$000)

PROP DATE _____
 Original _____
 Rev. No. _____
 Project No. _____

Table 1
 Page 1 of 2
 COUNTRY:

Project Title: Ag. Management

Fiscal Years	Ap	L/G	Total	Cont ^{1/}	Personnel Serv.			Participants		Commodities		Other Costs	
					AID	PASA	CONT	U. S. Agencies	CONT	Dir U. S. Ag	CONT	Dir U. S. Ag	CONT
Prior through Act. FY <u>70</u>	-	-	-	-									
Oper. FY <u>71</u>	360	-	-	360									
Budg. FY <u>72</u>	225	-	-	225									
B + 1 FY <u>73</u>	230	-	-	230									
B + 2 FY <u>74</u>	425	-	-	425									
B + 3 FY <u>75</u>	125	-	-	125									
All Subs.	-	-	-	-									
Total Life	1,365			1,365									

^{1/} Memorandum (nonadd) column

Note that format of this page is same as E-1a.

If a second page of table is used, space year-line entries on second page at same location as on first page.

MANAGEMENT CAPABILITY FOR AGRICULTURAL DEVELOPMENT

Summary

This project addresses a widespread deficiency in LDC capacity to manage agricultural programs. The goal is to improve the capacity of agricultural institutions to organize and manage agricultural development--to plan, implement, and evaluate action programs. The project will provide a means to collect, appraise, and transmit knowledge, techniques, and experience to LDC institutions and to foster adaptation and application of improved management systems.

An intermediary objective is to increase the capacity of educational, training and research institutions (primarily agricultural schools and business schools with an agro-business interest) to analyze, teach, train, and consult with regard to agricultural program management.

Major outputs will be: (1) a comparative study of managerial problems and knowledge (training) requirements of managers of agricultural plans, programs and projects; (2) a handbook of concepts, techniques, and approaches to agricultural management, including lessons of experience, and (3) packages of materials for use in LDC (and U.S.) training programs for agricultural program and project managers.

The outputs will be targeted for three categories of agricultural executives: (1) officials of central ministries; (2) provincial or district officials, and (3) private sector and cooperative agri-business executives. To help assure the relevance of project outputs and the adaptation and utilization of materials

in LDC training the project will be carried out in close collaboration with LDC institutions and with TC field operations of A.I.D. or other donors.

The project will be administered by TA/DA in close collaboration with the Regional Bureaus and interested Missions. It will be executed by U.S. contractors, and will be guided by advice from A.I.D. and external experts in agriculture, management, and related disciplines.

Setting

"Perhaps the single greatest constraint on agricultural development is the severely limited administrative capability of governments in aid-recipient countries." Lester Brown, Seeds of Change

One of the key impediments to agricultural development is the lack of managerial capability to guide the institutions and coordinate the functions essential to modern agriculture. Exacting economic and technological requirements, especially in multiple cropping and in expanded marketing systems, are added to the requirement of nature. Considerable, though scattered, experience indicates that these requirements offer an area of significant opportunity for the wider adaptation and use of management techniques and systems approaches.

The need for better management of LDC agricultural programs is clearly established and widely recognized. Though specific deficiencies vary from region to region and country to country, there are common threads that run through many analyses. Deficiencies often arise in agricultural ministry planning, programming, and administrative mechanisms. They are common in area-specific production processes (public and private) at one stage of sectoral development and, when

production rises, in marketing processes. There is widespread weakness in project formulation, implementation, and evaluation, and in feedback up the program/planning ladder. The growth of marketing networks to metropolitan, regional, and national scope requires more managerial competence than was heretofore needed. International marketing systems require still more sophisticated managerial support and institutional coordination.

The complexity of non-traditional agricultural processes is leading people to view agriculture as a "system" in which the various functions need to work in strategic relationship to each other. The developmental work of Dr. Milo Cox on the concepts of an agricultural system is known in the Agency and most recently has been incorporated in the Agriculture Key Problems Paper. Related work is proceeding in such U.S. institutions as Harvard University (agri-business) and Michigan State University (LA marketing studies), among others. Some potential benefits of improved management and systems approaches have been explored in the context of the A.I.D. Spring Review of New Cereal Varieties and of agriculture loans, notably sector loans.

LDC executives responsible for agricultural production and marketing processes, and for agricultural education, are increasingly recognizing the utility of improved skills in systems approaches and program management. For example, a major item of interest at the Asian Agricultural College and University Seminar last fall was the analysis of systems of services to support agricultural development. Problems of inter-ministerial and central-local relationships are

receiving increased attention, e.g., in water management projects.

The Zacapa project (fresh produce for export) in Guatemala illustrates the natural interest of agricultural entrepreneurs in management control systems which can make the difference between profit and bankruptcy in their operations.

To meet these interests, there exist numerous good management and agricultural training institutions in the developing countries which have or can develop the capacity to relate management techniques to specific problems and to teach relevant skills to executives who need them. Many of these institutions have links with U.S. institutions through ongoing or prior A.I.D. or Ford Foundation projects. Others have ties with international TC entities such as FAO and the UN Public Administration Division. These international orientations, together with the world-wide respect for U.S. agricultural and managerial talents, promise well above average receptivity for cooperative efforts.

It is recognized that working relations must be established in terms that are of interest to the LDC institutions concerned and acceptable to A.I.D. Missions or other assistance entities involved. Pre-project inquiry, including one field exploration in Guatemala (ROCAP), indicates solid potential for field linkages. Overseas institutions under active consideration include the Zacapa Project in Guatemala, the Inter-American Institute of Agricultural Sciences in Costa Rica, (and other schools in the IICA network), the Central American School of Business Administration (INCAYE), the Zaria Institute of Administration and other elements of Ahmadu Bello University

in Nigeria, and selected institutions involved in the Provincial Development Project in the Philippines. The Development Institutions and Services Branch, FAO Rome, wishes to cooperate. In addition, a NESAS survey of management education for agriculture in India and Pakistan scheduled for early 1971 will likely open up other possibilities for LDC linkages.

Both in the U.S. and abroad a "knowledge base" for adapting management systems to agricultural development is growing. A significant opportunity exists to capitalize on this knowledge base in meeting LDC felt needs for better management of agricultural programs.

Strategy

"Agricultural development requires that people keep growing, developing new skills and mastering new knowledge throughout their active careers." A. T. Mosher, Getting Agriculture Moving

The project is designed to help remedy deficiencies in managerial knowledge and skills of agricultural executives who have been trained in the technology or economics of agriculture, but not in fields of management. By the addition of a well-grounded managerial approach to existing economic, technical, and functional approaches to agricultural development, LDC executives can be given added skills with which to administer increasingly complex production, marketing, and related processes. This will require action to mobilize existing knowledge, distill lessons of experience, and package and deliver such knowledge and experience in appropriate form to selected LDC institutions for teaching, training, and consulting uses.

The analysis of need for and usefulness of particular managerial skills will proceed from two directions: (1) identification of managerial and decision-making problems encountered by selected categories of agricultural executives, and (2) identification of managerial and analytic techniques which have high utility in agricultural program management.

The project will focus on the problems encountered by agricultural executives concerned with decision-making in the context of economic, technological, political, and social factors. Three categories of executives will be served:

a. Official of central agriculture ministries and related institutions concerned with overall planning, policy and program guidance, allocation of resources, and control and evaluation of agricultural programs. Such officials may occupy senior administrative positions involved with overall ministry direction, inter-ministerial or central-field coordination (including functions of planning, programming, budgeting, and finance). Officials engaged in program administration (research, extension, credit, training, production, marketing, etc.) would also be included.

b. Provincial or district officials concerned with coordinating and managing programs of services and integration of services for agricultural development. These executives are often involved in supervision of projects, and in transactions with private sector production, marketing, and agri-business activities.

c. Private sector agri-business executives concerned with

managing cooperatives and agri-business firms, as well as cooperative-corporate ventures. Such executives are involved in profit making, market-oriented agricultural programs that involve a complex of linked functions extending from seed selection through quality and grading standards to consumer purchases.

The identification of managerial and decision-making problems mentioned in the second paragraph of this section will correspond to the three categories of executives to be served by project outputs. For central officials the analysis would include problems of sector plan formulation, implementation, control and evaluation. For provincial or district officials it would encompass such matters as coordination of services and inputs, links from local to extended markets, and means to reach the small farmer effectively. For private sector agri-business managers, considerations of cost-effectiveness to assure profits, assured arrival and effective utilization of inputs, marketing advantages, and related considerations would predominate.

In each category the problems of the executives will be matched with managerial systems or techniques to ascertain which would be most practicable and useful to them. This matching process will help assure that the training materials ultimately developed are relevant to real managerial needs.

Assuming sound project outputs in terms of relevant training materials and involvement of LDC institutions, a final step is planned to encourage adaptation, expansion, and utilization of the materials. That step would entail testing of the materials at executive training

sessions sponsored by cooperating LDC institutions, evaluating their effectiveness, and planning further use and refinements (including essential research) to be carried forward by the cooperating institutions. It is anticipated that the materials will be used primarily in short, intensive courses, but they will also be useful to strengthen academic curricula.

At every step of the process, interregional exchange of ideas and experience and involvement with ongoing A.I.D. field work or with multilateral institutions will be emphasized. By taking advantage of existing resources and of joint funding mechanisms, project outputs can be spread widely at very reasonable cost.

To sustain a continuing quality effort, the need for creation of new or modified institutional arrangements, such as a Center for Agricultural Management, will be investigated. At an appropriate time in the course of the project the utility of an institutional grant (separately funded) may be considered. As research needs are identified projects may also be considered within the Agency's research approval process.

Planned Targets, Results, and Outputs

"It is important that targets be both ambitious and feasible." Louis J. Walinsky, The Planning and Execution of Economic Development

The strategy outlined in the previous section makes clear that the "target audience" of this project consists of LDC agricultural executives. The ultimate aim is to strengthen individual and group capacities in ways that lead to greater agricultural development.

Behavior changes are to be induced by learning (acquisition of managerial knowledge and skills, etc.) which is relevant to the problem-solving and decision-making needs of the executives. The learning opportunity is to be provided in cooperating LDC institutions (or U.S. institutions), and the core materials to be used will be developed in this project.

True "results" are attainable only as the end-product of the process noted above, and individual and group behavior favorably affecting agricultural development are the final test of success. Progress toward this end can be measured by (1) the delivery of intermediate products, (2) the establishment of productive linkages with LDC institutions, (3) the adaptation and use of training materials in LDC institutions, and (4) appraisal of the usefulness of the training by action-oriented executives.

The U.S. institutional contractors will be responsible for delivery of the following specific products: (a) a comparative study of managerial problems and knowledge (training) requirements of agricultural executives of central government, provincial or district, and cooperative/agri-business activities; (b) a handbook of concepts, techniques, and approaches to agricultural management, including lessons of experience; and (c) packages of materials which will be used in LDC (and U.S.) training programs for agricultural executives and to strengthen the knowledge of agricultural management consultants or advisors. All of these products are to be practical and application-oriented. For example, the handbook should be a managerial equivalent of Arthur T. Mosher's Getting Agriculture Moving.

Establishment of initial linkages with LDC institutions will be arranged by TA/DA through A.I.D.'s Regional Bureaus and Missions and their contract or PASA staffs as required (also with selected elements of multilateral organizations with field operations).

Utilization of project outputs will not be confined to the primary cooperating institutions overseas. In the case of regional institutions such as the Inter-American Institute of Agricultural Sciences they can be disseminated to other institutions in the regional network. They can also be furnished to international assistance entities with established distribution networks (UN Regional Economic Commissions, FAO, etc.) and to A.I.D. contract or PASA teams working overseas. They will also be offered to agricultural and management institutions via announcements by mail and international publications.

Utilization by U.S. universities will also be important. Pre-project investigation has revealed widespread recognition by international agriculture training experts in a dozen U.S. universities of the need to strengthen managerial content in the training programs of foreign agricultural participants. The potential importance of work in this sphere is suggested by the fact that there were 469 undergraduate and 1007 graduate agricultural participants in the U.S. in FY 1969 under A.I.D. auspices alone, very few of whom had any managerial training.

Course of Action

"Although long-range in character and slow in coming to fruition, technical assistance to the building of institutions to serve agriculture can be expected to pay big dividends on a small investment." C.I.C., Building Institutions to Serve Agriculture

In FY 1971 contracts will be executed to proceed with the studies and materials development relating to private sector agribusiness executives and to provincial or district officials. A third contract (or amendment to one of the FY 71 contracts) relating to officials of central agricultural ministries will be executed early in FY 72.

While the contract documentation and negotiation goes forward, steps will be taken by TA/DA in cooperation with the Regional Bureaus and selected Missions to establish or strengthen working relations with cooperating overseas institutions. Thus, the contractors will have ready-made overseas linkages (in addition to any that they may have previously established themselves) which can serve the purposes of the project. Counterpart relationships with LDC training institutions and operating entities will be established early and emphasized in the course of contract operations.

Concurrently with contract negotiation an intra-Agency steering group and external advisory group of experts will be constituted. The work of these groups will be closely related to contract operations so that contractors may have the advantage of experienced counsel from the beginning. In addition, the contractors, A.I.D. representatives, and LDC representatives will systematically exchange findings and

experience at intervals as the project proceeds.

The materials developed in this project by each contractor will be incorporated into at least one experimental training program overseas (a total of three such programs) and into at least one program for foreign participants in the U.S. It is expected that complementary funding arrangements (Regional, USAID, Host Institution, FAO, or other) will make possible the holding of several additional training programs, workshops, or related activities in the later phases of the project.

Upon completion of training packages a concentrated effort will be made to distribute them to LDC institutions to assure wide utilization, e.g., through "memory bank" reference services. In the later phases of the project explicit attention will also be given to ways in which selected institutions can continue to foster the development and wide exchange of knowledge and training materials for LDC agricultural management.

This project is planned for five fiscal years of funding, with four year implementation of each component. It will be closely related to and mutually reinforcing with other projects dealing with sectoral management, particularly "Modernizing Management for Development." The latter project is proposed for an eight-year implementation span and can thus serve as a means to follow up on the utilization of the outputs of this project.

AG MANAGEMENT CAPABILITY

Agribusiness Management Element

Harvard University Contract Budget

<u>Personnel</u>	<u>Est. Salary</u>	<u>Duration</u>	<u>Cost (\$000)</u>
1 Agribusiness Mgt. Ed.	\$27,000 p.a.	18 mos.	40.5
1 Agribusiness Mgt. Ed.	22,000 p.a.	18 mos.	33.0
1 Mgt. Ed. Materials/Tech.	12,000 p.a.	18 mos.	18.0
3 Short-term Advisors	110 p.d.	45 days	5.0
1 Secretary	6,000 p.a.	18 mos. ($\frac{1}{2}$ time)	<u>9.0</u>
		Sub-total, Personnel	105.5
 <u>Other</u>			
Travel - - - - -	- - - - -	- - - - -	8.0
Other Direct Costs - - -	- - - - -	- - - - -	3.0
U. S. and Overseas Workshops	- - - - -	- - - - -	<u>14.0</u>
			130.5
 <u>Overhead</u>			
@ 34% = - - - - -	- - - - -	- - - - -	<u>44.4</u>
			174.9 =
TOTAL - - - - -	- - - - -	- - - - -	175

TA/DA:3/12/71

Rural Program Management

(Contractor to be selected)

<u>Personnel</u>	<u>Est. Salary</u>	<u>Duration</u>	<u>Cost (\$000)</u>
1 Team Leader	\$25,000 p.a.	18 mos.	37.5
1 Associate	20,000 p.a.	do.	30.0
1 Assistant	12,000 p.a.	do.	18.0
1 Secretary	6,000 p.a.	18 mos. ($\frac{1}{2}$ time)	4.5
3 Short-term Advisors	110 p.d.	45 days	<u>5.0</u>
		Sub-total, Personnel	95.0
<u>Overhead</u>			
@ 61% est. =	- - - - -	- - - - -	58.0
<u>Other</u>			
Travel	- - - - -	- - - - -	8.0
Other Direct Costs	- - - - -	- - - - -	3.0
U. S. and Overseas Workshops	- - - - -	- - - - -	<u>14.0</u>
TOTAL	- - - - -	- - - - -	178.0

Proj. No. 9310936
PN-

PROJECT AUTHORIZATION

1. PROJECT NUMBER 931-11-720-936	3. COUNTRY Interregional	4. AUTHORIZATION NUMBER 0121
2. PROJECT TITLE Management Capability for Agricultural Development (Ag Management)		5. AUTHORIZATION DATE May 5, 1971
		6. PROP DATED February 1, 1971

7. LIFE OF PROJECT

a. Number of Years of Funding: 5
Starting FY 1971; Terminal FY 1975

b. Estimated Duration of Physical Work
After Last Year of Funding (in Months): 12

8. FUNDING BY FISCAL YEAR (in U.S. \$ or \$ equivalent)	DOLLARS		P.L. 480 CCC + FREIGHT	LOCAL CURRENCY Exchange Rate: \$1 =			
	GRANT	LOAN		U.S. OWNED		HOST COUNTRY	
				GRANT	LOAN	JOINTLY PROGRAMMED	OTHER
Prior through Actual FY 1970							
Operational FY 71	360						
Budget FY 72	225						
B + 1 FY 73	230						
B + 2 FY 74	425						
B + 3 FY 75	125						
All Subsequent FY's	-						
TOTAL	1,365						

9. DESCRIBE SPECIAL FUNDING CONDITIONS OR RECOMMENDATIONS FOR IMPLEMENTATION, AND LIST KINDS AND QUANTITIES OF ANY P.L. 480 COMMODITIES

10. CONDITIONS OF APPROVAL OF PROJECT

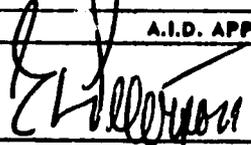
The PROP has been fully endorsed by the Bureau for Latin America. The other Bureaus manifest deep concern for the problem of agricultural management, but express varying degrees of reservation and diversity of approach. The consensus on need for action in this problem area and the readiness of LA to immediately begin collaborative efforts provide sufficient ground for FY 71 approval. The Agency Task Force on Managerial Capacity will assist with further program design, and the prospects of agreement on specific implementation activities useful to the other Regional Bureaus and selected missions are excellent.

(Use continuation sheet if necessary)

11. Approved in substance for the life of the project as described in the PROP, subject to the conditions cited in Block 10 above, and the availability of funds. Detailed planning with cooperating country and drafting of implementation documents is authorized.

This authorization is contingent upon timely completion of the self-help and other conditions listed in the PROP or attached thereto.

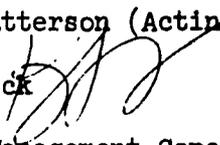
This authorization will be reviewed at such time as the objectives, scope and nature of the project and/or the magnitudes and scheduling of any inputs or outputs deviate so significantly from the project as originally authorized as to warrant submission of a new or revised PROP.

A.I.D. APPROVAL 	CLEARANCES	DATE
	TA/PM, JH Kean 	3/23/71
SIGNATURE AA/TA, Ervin L. Peterson (Acting) 3/24/71	TA/PM, KS Levick 	3/23/71
	TITLE	A/CONT

MEMORANDUM

DATE; March 23, 1971

TO: AA/TA, Mr. Ervin L. Patterson (Acting)

FROM: TA/PM, Kenneth S. Levick 

SUBJECT: Approval of PROP; "Management Capability for
Agricultural Development"

1. Attached for your consideration is a request from TA/DA to approve the attached PROP notwithstanding the fact that only one Regional Bureau (LA) has given it a firm, unequivocal clearance. The other Bureau responses which are attached as TABs C-F, are not basically inimical -- two (NESA and AFR) want to wait a bit; NESA, for the completion of an Agricultural Education survey; and AFR, for the completion of the Key Problem Area Study of the same subject. EA felt it could reach a common ground with TA/DA in further talks (which, incidentally, have not been held to date), but VN was not convinced that the methodology proposed would be effective and also stressed its belief that the (1) private sector should receive more attention, and (2) new (unspecified) lines of communication should be established.
2. We believe that we should move ahead with the project as presently conceived. LA, the Region most ready to go is an enthusiastic supporter. Much of the initial field work is slated to be conducted in LA, and this can be carried out as planned. The fact that results of this field work will have worldwide ramifications, provides a sound basis for proceeding in this manner. As other Regional Bureaus concur basically with the PROP, the scope of contract operations can be expanded -- ultimately, it is hoped, with the field operations envisaged in the PROP being spread to other areas in ways appropriate to their respective situations and as they may agree.
3. Recommendation: That you approve this PROP, with field activity at the outset to be initiated only in LA.

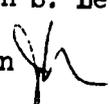
Attachment

MEMORANDUM

March 15, 1971

TO: AA/TA, Mr. Ervin L. Peterson

THRU: TA/EM, Mr. Kenneth S. Levick 

FROM: TA/DA, Jack Koteen 

SUBJECT: Request to Move Forward on Ag Management PROP (Tab A)

Problem:

This memo requests your approval to move forward on the Ag Management Project on the basis of one Regional Bureau clearance and expressions of interest short of clearance from the other four Bureaus.

Responses of the Regional Bureaus to the PROP (attached as Tabs B-F) produced one Regional Bureau (IA) that fully endorsed the PROP, met our requirements for Field Lab Projects and collaborating institutions, and is ready to go now. The other Regional Bureaus manifest deep concern for the problem of agricultural management, but express varying degrees of reservation and diversity of approach. In some cases, there is still a lack of understanding regarding the TA/DA quality knowledge strategy.

The effort to gain broad Agency consensus on the multi-component Ag Management PROP has been significantly delayed by the simultaneous activation of the Agency Management Capacity Task Force and circulation of a comprehensive three-year action program and work plan. The deliberations stimulated by the Task Force, though constructive for the longer term objective of TAB, could knock out our FY 71 program in Ag Management as the calendar runs out the time available for contracting. Diversity and uncertainty surrounding innovation in a problem as pervasive and complicated as agricultural management is understandable. This we must regard as normal in the TAB problem solving effort. Unfortunately, the time available to build consensus on specific applications in several locations is not compatible with the need to move ahead with FY 71 obligations.

Proposed Strategy:

I am therefore proposing a short-term strategy to get the Ag Management Project started in FY 71. The strategy is compatible with the longer term problem-solving activities of the Agency's Management Capacity Task Force in which the Regional Bureaus and other Offices are represented. What I propose is to move forward, with less Agency consensus than normally desirable, to utilize our limited FY 71 funds in a first phase of the Ag Management project with IA, where support is firm and conditions

ripe for prompt action. Having demonstrated and tested our approach in one Region, we will continue, under the aegis of the Agency Task Force, to clarify and reconcile Regional Bureau interests with TA/DA's problem-solving thrust over a longer time perspective.

Moving ahead on work in LA will provide valuable experience and feedback for the Task Force which can be useful in designing expansion of the program to serve other Regions. It will be made clear that no Bureau is being locked out of future project benefits due to the pilot thrust in LA.

Moving at this time with one Region will not, in my estimation, undermine the orderly, constructive approach initiated by the Task Force. The deliberations of the group are progressing more favorably than I anticipated. The discussions at the first meeting were informative, constructive and analytical. A number of exciting activities, issues and proposals were brought forward by the members.

The Task Force questionnaires (10 now completed) have been helpful in eliciting Regional Bureau priority interests regarding the problem area components. A number of prospective field laboratories and collaborating institutions have been suggested, and additional problem components and issues raised. The questionnaires informally indicate that two or more Regional Bureaus exhibit #1 priority ranking for each of the three problem components mentioned in the PROP and the Work Program.

I do not intend to report on the Task Force in this memorandum except to indicate that it is moving constructively. Continuation of the momentum the group has already achieved will tend to reconcile and satisfy most of the reservations and uncertainties expressed in responses to the PROP.

Choice of LA for Initial Efforts:

The choice of LA for our pilot approach is based on these considerations:

1. Their positive response to the PROP, indicating that the TAB thrust is supportive of ongoing and planned activities.
2. Their listing of six sharply worded operating conditions to guide TA/DA-LA contractor and Mission relationships. This indicates a deep understanding and support of the TAB knowledge-oriented strategy and the collaborative roles of TAB and the Regional Bureau.
3. Their sound choice of collaborating institutions and field laboratory projects, reflecting Bureau program requirements and sector loan strategy.

3.

4. Reasonable evidence that field Missions and collaborating institutions are in agreement and that field laboratories are accessible.

I propose that we move forward with the LA Bureau in both Ag Management problem area components budgeted for FY 71:

1. Agribusiness Management
2. Rural Agricultural Program Management

The draft PIO/T for agribusiness (Tab G), already reviewed and cleared by LA/DR, provides a basis for contract negotiations directed to specific activity useful and meaningful to LA. We have in mind the possibility of a sole-source contract with Harvard. Dr. Horne of ROCAP concurs. If you agree that we move ahead in the fashion described above, I plan to explore the possibilities of Harvard involvement later this month, and then fly down to Guatemala and Nicaragua to obtain the views of ROCAP, ICAITI, INCAE, and Zacapa personnel to assure that the scope of work proposed by the PIO/T is acceptable to all key parties. Prior discussions with each of the parties indicates a strong possibility of rapid agreement.

For Rural Agricultural Program Management, linkage with the Inter-American Institute of Agricultural Sciences via an LA Regional PROP (now in clearance) is also being developed. We are currently working on a PIO/T for this component. For the contract we plan to choose from among a half dozen potential contractors on a competitive basis.

Attachments:

- Tab A - Ag Management PROP
- Tabs B-F - Regional Bureau Responses
- Tab G - Draft PIO/T for Agribusiness Management