

AIRGRAM

DEPARTMENT OF STATE

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A.I.D.
Reference Center
DATE ~~March~~ 1969 NS

PD-AAD-104-81

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TO - AID/Washington TOAID-A- 578^x

FROM - New Delhi

SUBJECT - Agricultural Production

REFERENCE - NON-CAPITAL PROJECT (PROP)

Country: India Project No. 386-11-110-366

Submission Date: June 24, 1969 - Original

Project Title: Agricultural Production

U.S. Obligation Span: FY 1966 through FY 1975

Physical Implementation Span: FY 1966 through FY 1976

Gross life-of-project financial requirements:

U.S. Dollars: \$8,177,000

U.S.-owned Local Currency:

Cooperating Country Cash
Contribution (Trust Fund):
Rs. 40,700,000 (Equiv. \$5,356,000)

Fourth 5-year Plan Budget: Not applicable.

Totals: \$13,543,000

PAGE 1 OF 15 PAGES

DRAFTED BY	OFFICE	PHONE NO.	DATE	APPROVED BY:
AG/P:ROLewis:bjs	AG	552	6/23/69	DD:JFunari

AID AND OTHER CLEARANCES

AG:ROlson UNCLASSIFIED DP/P:RLPodol
AG:OBauman (in draft) CLASSIFICATION

MRUP - Agricultural Production

I. Summary Description:**A. Necessity, Justification and Significance:**

The Government of India has put renewed emphasis on foodgrain production the past several years with considerable success. The introduction of new high yielding varieties of wheat and rice and the development of hybrid varieties of maize, jowar and bajra gave a major breakthrough of yield potential and at the same time created new problems in farming practices and proper use of inputs such as fertilizers and pesticides.

The GOI recognized the necessity of involving and coordinating the activities of all agricultural personnel and institutions at national and state levels in promoting rapid acceptance of the new technology by farmers, and the need to orient research activities toward rapid solution of key problems as they arose. The GOI requested assistance from USAID in this critical effort.

B. Project Goals and Targets:

This project was designed to assist the GOI reach its goal of foodgrain self-sufficiency. The specific targets of this project are:

1. To promote the development and use of State institutions and service organizations which can identify production problems in the field that are retarding agricultural progress and to initiate appropriate methods for their solution.
2. To institutionalize a pattern of cooperation between the Directors of Agriculture, the Agricultural Universities or State research facilities, and the extension field staff which will involve them directly in the development program of the State, orient their research programs toward the immediate problems of production, and clearly establish the University or State research facility as an institution that helps the Department of Agriculture to carry out its responsibility for development of the agriculture of the State.
3. Through the Field Problems Units (FFUs) provide technical knowledge verified through applied research for further refinement of the package of practice to be recommended for each of the High Yielding Variety Areas (HYVAs).
4. Through the FFU develop demonstration and training programs necessary to acquaint agricultural workers, at district, block, and village levels, and farmers, with the package of practices technologies to assure their understanding and acceptance of the concepts and the ultimate implementation by the farm family.

5. Through the FFU establish close communications and working relationships between the field agricultural staff of the USAID and those public and private agencies and facilities responsible for providing the necessary inputs.

C. Minimum Levels of Achievement

The project has two broad aims: (1) solve field agricultural problems reducing potential yields from the new varieties and, thereby within the five-year project life, make a significant impact on the successful use of new varieties, hence on production, in the individual states, and (2) build linkages between agricultural institutions. The aim here is to institutionalize the concept that research should be focussed on practical problems, that research bodies and workers have a responsibility to go into the field to discover problems, and that research and extension should be closely linked.

The project, then, is to pay both short and long term dividends. The efforts of the team in clearing aside technical field problems are expected to yield significant production dividends in the short run. The team's success in rolling the concept of practical research linked to extension is supposed to lay the basis for continued production gains in the long run.

This project is designed to develop an interdisciplinary coordinated pattern of action between the State Departments of Agriculture, the Agricultural Universities or other State research facilities for rapid and efficient solving of problems as they arise. Such results are not quantifiable and the project will phase out of a State as indications show substantial progress and acceptance of the concept or its rejection.

D. General Approach and Plan of Action:

The general approach is to provide American subject matter specialists in selected States. These men must have a high degree of technical competence in their respective fields preferably with experience in applied research. The subject matter fields are decided jointly by the State Department of Agriculture and USAID as the most needed in the particular State. Each State will provide one counterpart from the State Department of Agriculture and one counterpart from the Agricultural University or other State research facility for each American specialist. These counterparts will be persons who are actively engaged in working in the field of specialty at State level. These three constitute a Field Problems Unit (FFU). The project provides the services of 4 to 6 specialists in different disciplines in each selected State. Each FFU is concerned with some facet of agriculture such as soils and fertilizers, seeds, insect and disease control, water management, farm machinery or extension training. Each Field Problems Unit will identify problems in their field which limit production and will assist research and field operations personnel to solve the problem rapidly and efficiently. American subject matter specialists are being provided through contracts with American Universities, PASA's with the U. S. Department of Agriculture or may be recruited by direct hire. Consultants are being supplied

for short periods for special problems not requiring a long term specialist. The participant training element is of two types, subject matter training for Indian technical personnel involved in the activities of Field Problems Units for six to nine months; and shorter terms for high level administrators of the State Departments of Agriculture and at the National level to study administration and coordination of American agricultural agencies. Limited dollar funds are being provided to purchase needed demonstration equipment unavailable in India and trust fund rupees for special projects.

At the beginning of FY1970, there will be a total of 33 technician positions in seven states (See Table I). An additional State may be added in FY 1971 and another by FY 1972. Beyond that, future possible expansion is unknown at this time. Its desirability will be determined by project results and State needs.

Three American specialists are provided at USAID, an Agricultural Production Advisor (Division Chief) and an Assistant Agricultural Production Advisor to provide liaison with the GOI Center, overall program guidance and administrative support to the American teams of technicians. One Extension Advisor (Training), GOI requested, assists the GOI in the country wide farmer training activity and backstops the field teams in methods and techniques of training.

E. Summary of Inputs

Table I Technicians and Consultants

USAID, New Delhi - Direct Hire

Technicians	FY 70	FY 71	FY 72	FY 73	FY 74	FY 75-
Agricultural Production Advisor - Division Chief	1/12	1/12	1/12	1/12	1/12	1/12
Agricultural Production Advisor	1/12	1/12	1/12	1/12	1/12	1/12
Extension Advisor Training (GOI Requested)	1/12	1/12	1/12	1/12	1/12	1/12
	3/36	3/36	3/36	3/36	3/36	3/36

Andhra Pradesh (USAID Titles)

A. Technicians

1. Agr. Eng. - Farm Mach.	1/12	1/12	1/12			
2. Entomology Adv.	1/12	1/12	1/12			
3. Soils Adv. - Fertilizers	1/12	1/12	1/12			
4. Agronomy Adv. - Seed Imp.	1/12	1/12	1/12			
5. Irrigation Farm Adv.	1/12	1/12	1/12			
	5/60	5/60	5/60			

B. Consultants

Areas to be determined		1/3	2/6			
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Tamil Nadu (USAID Titles)

	FY 70	FY 71	FY 72	FY 73	FY 74	FY 75
A. Technicians						
1. Extension Adv. - Training	1/12	1/12	1/12			
2. Entomology Adv.	1/12	1/12	1/12			
3. Irrigation Farm Adv.	1/12	1/12	1/12			
4. Agronomy Adv. - Crops	1/12	1/12	1/12			
5. Agr. Eng. - Farm Mach.	<u>1/12</u>	<u>1/12</u>	<u>1/12</u>			
	5/60	5/60	5/60			
B. Consultants(GOI Titles)						
a. Marketing Economist	1/3					
b. Food Proc. Industries	1/3					
c. To be determined	—	<u>2/6</u>	<u>2/6</u>			
	2/6	2/6	2/6			

Orissa (USAID Titles)

A. Technicians						
1. Agron. Adv. - Seed Imp.	1/12	1/12	1/12			
2. Irrigation Farm Adv.	1/12	1/12	1/12			
3. Agr. Eng. - Farm Mach.	1/12	1/12	1/12			
4. Entomology Adv.	1/12	1/12	1/12			
5. Agron. Adv. - Farm Mgt.	<u>1/12</u>	<u>1/12</u>	<u>1/12</u>			
	5/60	5/60	5/60			
B. Consultants						
a. Ext. Prog. Dev.	1/3					
b. Commercial Seed Prod.	1/3					
c. To be determined	—	<u>2/6</u>	<u>2/6</u>			
	2/6	2/6	2/6			

Bihar (USAID Titles)

A. Technicians						
1. Agron. Adv. - Seed Imp.	1/12	1/12	1/12	1/12		
2. Ext. Adv. - Info.	1/12	1/12	1/12	1/12		
3. Irrigation Farm Adv.	1/9	1/12	1/12	1/12		
4. Entomology Adv.	<u>1/12</u>	<u>1/12</u>	<u>1/12</u>	<u>1/12</u>		
	4/45	4/48	4/48	4/48		

B. Consultants	FY 70	FY 71	FY 72	FY 73	FY 74	FY 75
a. To be determined	1/3	1/3	1/3	1/3		
b. To be determined	1/3	1/3	1/3	1/3		
c. To be determined	1/3	1/3	1/3	1/3		
	<u>3/9</u>	<u>3/9</u>	<u>3/9</u>	<u>3/9</u>		

Gujarat (USAID Titles)

A. Technicians						
1. Soils Adv. - Mgt/Cons.	1/12	1/12	1/12	1/12		
2. Irrigation Farm Adv.	1/12	1/12	1/12	1/12		
3. Agron. Adv. - Seed Imp.	1/12	1/12	1/12	1/12		
4. Agr. Eng. - Farm Mach.	1/12	1/12	1/12	1/12		
	<u>4/48</u>	<u>4/48</u>	<u>4/48</u>	<u>4/48</u>		

B. Consultants						
a. To be determined	1/3	1/3	1/3	1/3		
b. To be determined	1/3	1/3	1/3	1/3		
	<u>2/6</u>	<u>2/6</u>	<u>2/6</u>	<u>2/6</u>		

Mysore (USAID Titles)

A. Technicians						
1. Ext. Adv. - Training	1/12	1/12	1/12	1/12		
2. Soils Adv. - Fertilizers	1/12	1/12	1/12	1/12		
3. Ext. Adv. - Info.	1/12	1/12	1/12	1/12		
4. Entomology Adv.	1/12	1/12	1/12	1/12		
5. Agron. Adv. - Seed Imp.	1/12	1/12	1/12	1/12		
6. Agr. Eng. - Farm Mach.	1/12	1/12	1/12	1/12		
	<u>6/72</u>	<u>6/72</u>	<u>6/72</u>	<u>6/72</u>		

B. Consultants						
a. Soils Testing & Fertilizer Recommendations	1/3					
b. Processing & Mgt. Dev.	1/3					
c. Seed Processing	1/3					
d. To be determined		2/6	2/6	2/6		
	<u>3/9</u>	<u>2/6</u>	<u>2/6</u>	<u>2/6</u>		

Maharashtra (USAID Titles)

	FY 70	FY 71	FY 72	FY 73	FY 74	FY 75
A. Technicians						
1. Agr. Eng. - Farm Mach.	1/12	1/12	1/12			
2. Entomology Adv.	1/12	1/12	1/12			
3. Agron. Adv. - Seed Imp.	1/12	1/12	1/12			
4. Agr. Eng. - Irrig/Drng.	1/12	1/12	1/12			
	<u>4/48</u>	<u>4/48</u>	<u>4/48</u>			
B. Consultants						
a. Seed Proc. - Grain Storage	1/3					
b. Seed Certification	1/3					
c. Seed Certification	1/3					
d. Soil and Water Mgt.	1/3					
e. To be determined		3/9	2/6			
	<u>4/12</u>	<u>3/9</u>	<u>2/6</u>			
<u>Contractor to be determined</u>						
<u>State to be determined</u>						
A. Technicians						
Kind to be determined		5/30	5/60	5/60	5/60	5/30
B. Consultants						
Areas to be determined		2/6	2/6	2/6	2/6	
<u>Contractor to be determined</u>						
<u>State to be determined</u>						
A. Technicians						
+ Kind to be determined			4/24	4/48	4/48	4/48
B. Consultants						
Areas to be determined			2/6	2/6	2/6	2/6
+ 4/24 months will occur in FY 1976.						

Table II - ParticipantsArea of TrainingUSAID - New Delhi

Agr. Administration Coordination 2/6 2/6 2/6 2/6

Andhra PradeshAgr. Administration Coordination 1/3 1/3 1/3
*Technical Specialty to be determined. 3/27 3/27 3/27
4/3 4/3 4/3

<u>Tamil Nadu</u>	FY 70	FY 71	FY 72	FY 73	FY 74	FY 75
Agr. Administration Coordination	1/3	1/3	1/3			
* Technical Specialty to be determined	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$			
<u>Maharashtra</u>						
Agr. Administration Coordination	1/3	1/3	1/3			
* Technical Specialty to be determined	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$			
<u>Mysore</u>						
Agr. Administration Coordination	1/3	1/3	1/3	1/3		
* Technical Specialty to be determined	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$		
<u>Orissa</u>						
Agr. Administration Coordination	1/3	1/3	1/3			
* Technical Specialty to be determined	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$			
<u>Bihar</u>						
Agr. Administration Coordination	1/3	1/3	1/3	1/3		
* Technical Specialty to be determined	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$		
<u>Gujarat</u>						
Agr. Administration Coordination	1/3	1/3	1/3	1/3		
* Technical Specialty to be determined	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$		
<u>State to be determined</u>						
Agr. Administration Coordination		1/3	1/3	1/3	1/3	
* Technical Specialty to be determined		$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	
<u>State to be determined</u>						
Agr. Administration Coordination			1/3	1/3	1/3	1/3
* Technical Specialty to be determined			$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$	$\frac{3/27}{4/30}$
	<u>30/316</u>	<u>34/246</u>	<u>38/276</u>	<u>22/156</u>	<u>8/60</u>	<u>4/30</u>

- * The type of technical training for participants is determined each year by the states in consultation with American advisors. Priorities are determined based on current needs, availability of appropriate participants and suitability of U.S. training available, subject to approval by the Center. Examples of the training areas are pest control, soil and water management, seed production and implements.

NON-CAPITAL PROJECT FUNDING (OBLIGATIONS IN \$000)

10 Country: INDIA

Project Title: Agricultural Production

PROP Date

Project No. 366-11-110-366

Fiscal Years	AP	L/G	Total	1/ Cont	Personal Serv.			Participants		Commodities		Other Costs	
					AID	PASA	CONT	U.S. Ag.	Cont	Dir.& US Ag.	Cont	Dir & US Ag.	
Prior Through Act. FY 1969	TC	G	2792	2157	207	236	2098	190	-	2	59	-	-
Oper. FY 1970	TC	G	1343	947	75	157	925	162	-	2	22	-	-
Budget FY 1971	TC	G	1798	1382	77	153	1352	184	-	2	30	-	-
B+1 FY 1972	TC	G	1212	739	75	190	718	206	-	2	21	-	-
B+2 FY 1973	TC	G	464	265	81	-	255	118	-	-	10	-	-
B+3 FY 1974	TC	G	373	260	69	-	250	44	-	-	10	-	-
ALL Subs.	TC	G	195	106	67	-	101	22	-	-	5	-	-
Total Life	TC	G	8177	5856	651	736	5699	926	-	8	157	-	-

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Exchange rate \$ 1 = Rs 7.60

Project No. 386-11-110-366

Fiscal Years	AID-Controlled		Other Cash Contribution Cooperating Country	Other Donor Funds (\$ Equiv)	Food for Freedom Commodities		
	Local U.S. Owned	Currency Country* Cured(\$ Equiv)			Metric Tons (000)	CGC Value & Freight (\$000)	World market price(\$000)
UNCLASSIFIED Prior through FY 1969	-	1856	-	-	-	-	-
Oper. FY 1970	-	922	-	-	-	-	-
Budget FY 1971	-	1287	-	-	-	-	-
B+1 FY 1972	-	758	-	-	-	-	-
B+2 FY 1973	-	218	-	-	-	-	-
578 B+3 FY 1974	-	201	-	-	-	-	-
TOAID A- All Subs.	-	114	-	-	-	-	-
Total Life	-	5356	-	-	-	-	-

* GOI Trust Fund administered by USAID.

II. Setting of Environment:

The Agricultural Production project is an outgrowth or development of the U.S. effort to assist India in a rapid increase in foodgrain production. Starting in 1960 the CGI in cooperation with USAID and the Ford Foundation undertook a pilot program aimed at discovering effective practices to achieve rapid increases in food production. The program was implemented in seven of India's 325 districts which had an "assured water supply" and was based on the use of a package of practices including an adequate supply of fertilizer, plant protection chemicals and other agricultural inputs which would limit production if in short supply.

During the period another major factor entered the picture. This was the development of varieties with spectacular yielding ability when proper inputs were supplied. New rice and wheat varieties which were adapted to Indian climatic conditions were introduced over large areas which created problems of supply of fertilizers and pest control chemicals as well as technical problems of proper methods and practices to obtain maximum results.

The Indian Government is attempting to maximize the value of these crops as well as the hybrid varieties of corn, sorghum and millet developed by Indian plant breeders by using the same principle of a package of practices composed of all the necessary physical inputs. Areas of assured water supply, either irrigation or natural rainfall, are designated as High Yielding Variety Areas (HYVAs) which are the focal points for concentrated action by the FFUs.

To date the HYVA program has been expanded to over 130 districts and the goal is to have over 32 million acres of the newly developed high yielding varieties under intensive management in the Fourth Plan.

Actions have been undertaken by the CGI to assure that the supply of physical inputs, i.e., fertilizers, insecticides, etc., necessary for maximum production are available. This project was designed to assist the CGI and the States in utilizing existing organizations and institutions more effectively through coordination and technical improvement rather than develop an additional organizational unit. This is different than the common AID approach of developing a new institution such as Extension Service, Soil Conservation Service, etc. This project has been operating for approximately two years.

III. Strategy:

The reasoning behind the project's choice of targets is roughly as follows: In order for the new technology to take hold in widely differing areas of the country, applied research will be necessary to adjust the recommendations on inputs and practices to the particular conditions of each State. In addition -- as the new varieties are introduced -- new problems ("second generation" problems) such as diseases and insect attacks can be expected. Prompt research on these problems will be necessary if the HYV program is not to suffer a set back.

Existing research institutions are not always oriented to practical problems in the State. Their financial and manpower resources are thin. The vital link between research and extension is weak. Work is needed, therefore, to impart a practical bias to the research agencies, and to coordinate their programs so that their thin manpower and financial resources may be mobilized to best advantage. Work is needed to build the link between research and extension. Demonstration and training programs will be needed to insure that -- as applied research yields new refinements in the package of practices -- the extension agents learn of these and can transmit them to farmers.

The strategy of this project is based on certain assumptions:

1. Implied in the project design is the assumption that the States already have the basic organizations necessary to do the problem oriented research and field operations to spread the package of practices to farmers.
2. Also implied is the assumption that current administrative or policy barriers are not major obstacles to the spread of the new varieties or the package of practices.
3. That highly qualified American subject matter specialists working directly with high level counterparts from both the research and field operations organizations in the State through a formal pattern (FPU) can stimulate problem solving action and develop effective patterns of cooperation (linkage of institutions) which will continue after the Americans leave.

The strategy is to solve pressing problems to show what coordinated effort can do. It is also to demonstrate to cultivators that the Government has something to offer.

In each selected State, USAID provides a team of U. S. specialists. Each State will assign two counterparts to each specialist, one from the Agricultural University or in States without a University from the agricultural college or other research facility and one from the State Department of Agriculture. The specialist and his two counterparts constitute a Field Problems Unit (FPU). The number and specialty field of the American specialists will be determined by the State in cooperation with USAID and the Ministry of Food and Agriculture.

The activities of the Field Problems Units are supervised by a High Level Coordinating Committee composed of the State Development Commissioner, State Director of Agriculture, one or more senior officials from the Agricultural University or other research organizations and the AP Team Leader. The GOI Extension Commissioner and the USAID AP Division Chief also serve on all committees.

Besides the specialists, the project provides participant training as outlined in Section I.

To speed up the team's work, trust fund rupees are provided to support special demonstration projects. The rupees are intended to provide the FFU's with funds for buying locally made equipment, hiring temporary personnel and setting up demonstrations or pilot projects which have not been programmed by the State Government and cannot be expeditiously implemented through the normal State budgeting processes.

Limited amounts of dollar funding are provided to purchase commodities needed for demonstration purposes.

IV. Planned Targets, Results and Outputs:

India has set ambitious goals to achieve food self-sufficiency in the early 1970's. Plans for the production and distribution of necessary physical inputs are well underway. The target of this project is designed to increase the quality and effectiveness of the human resource inputs of their research and field operation organizations.

The specific goals and targets are given in Section I of this PRDP. This is the type of technical assistance project in which quantitative indices cannot express desired results. However, the PAR will give detailed segments of action which can be reported and give some evidence of results and outputs.

While the goals and targets apply to all States, it is recognized that the level of competence of the agricultural agencies varies from State to State along with the use of scientific agricultural methods by farmers so specific team plans and actions will also vary. The project is planned to give the American specialists sufficient latitude to develop their activities at the level needed to fit their States.

Some examples of the types of problems that are being tackled are insect control on jowar, inadequate irrigation methods, improvement of locally made farm equipment, insect surveys to predict outbreaks and proper time of spray application, soil deficiencies, methods of conducting demonstrations and coordination of research and field operations, etc.

Their solutions should eliminate these obstacles to higher agricultural production and serve as examples of the coordinated approach to problem solving.

Linkages are being achieved by involving both the research personnel and field operations personnel in field observations to determine specific problems, then designing research to solve the problems. The High Level Coordinating Committee which represents the highest level personnel in the State, both research and field operations, reviews the work of each FFU and thus develops the linkage at administrative levels.

V. Course of Action:

USAID will provide assistance as described in prior sections to States mutually agreed on by GOI and USAID. In each State, USAID fields a team of four to six US technicians in such specialties as seed production, soil and water, plant protection, farm machinery, etc. Field Problems Units function as the name implies: they go into the field (particularly the HYV districts), consult with District Agriculture Officers, Block Development Officers, and cultivators, etc. and identify technical problems impeding crop yields, then advise and assist the research stations to carry out research needed to solve the problems, then help out on result demonstrations to show the solutions to the extension service. By this process, the FPU's are expected to demonstrate the utility of building linkages between the research agencies and field staff.

The activities of the Field Problems Units are supervised and coordinated by a High Level Coordinating Committee composed of the State Development Commissioner, the State Director of Agriculture, one or two high officials from the University and the AP Team Leader. The GOI Ministry of Food and Agriculture Extension Commissioner and the Head of the USAID Division in charge of the project also serve on the committee.

The annual Operational Work Plans will spell out the inputs ~~and~~ of both the GOI and the USAID and the specific approaches to be covered. Each State will prepare such an Operational Work Plan giving details of the operations in that State. Considerable latitude is given each State in cooperation with the American specialists to develop a plan to fit the problems in that State within the scope of the goals and objectives.

The FPU's are already established and at work. They are a key to achieving both short and long term goals.

Technical backstopping of subject matter specialists is provided by other Divisions in the Office of Agricultural Development, especially the Inputs and Soil and Water Management Divisions. The teams also maintain close ties with the Agricultural Universities. In States where there is both a University Development and an Agriculture Production Project, they are staffed by the same American University.

WEATHERSBY

ACTION MEMORANDUM TO THE ASSISTANT ADMINISTRATOR, NESA

THROUGH: NESA/SA, C. Herbert Rees *Rees*

FROM: NESA/SA, Robert J. Muscat *RJ*

SUBJECT: Agriculture Production Promotion PROP Review - India

Recd 12-12-69

Discussion: NESA/W staff representatives and Messrs. Podol and Bauman reviewed this PROP October 29, 1969.

The Project has two broad aims: (a) to solve field problems that are holding down yields from the high-yielding varieties and (b) to build institutional linkages and a pattern of cooperation between state research organizations and state extension workers. Teams of about five men each are working in seven states providing assistance to the state extension workers. In most cases they are operating in states where there is a U.S. assisted agricultural university.

The major issue raised in the review was the proposal to expand the project into two new states. Because of two factors, (a) the slow rate of progress to date and (b) lack of firm plans on project expansion (timing and the states to be assisted), we are not now prepared to agree to project expansion beyond the present seven states or beyond the planned termination of FY 1974.

The PROP proposes a project with a total cost of \$8.2 million and a termination date (PTD) of FY 1975. The PBS proposes a project with a total cost of \$7.8 million, a figure which is based on a more realistic plan of project inputs, and a PTD of FY 1975. Both figures include funds for two additional states -- one in FY 1971 and one in FY 1972. The FY 1970 Congressional Presentation figure of \$10.6 million was based on larger teams operating for longer periods than now planned, and did not anticipate new starts nor an extended PTD. We recommend that the PTD of 1974 be retained and total project cost estimates reduced to \$6.6 million (eliminating funds for two additional states). If, by FY 1974, the project is achieving planned objectives, we will be prepared to consider possible expansion of the project.

Recommendation: That you sign the attached airgram approving the project in the states where teams are now operating, with the understanding that the project will terminate in FY 1974 as now planned.

Attachments:

a/s

RJR
NESA/SA:RRucker:NESA/DP:JGovan:rlh 12/11/6

AIRGRAM

DEPARTMENT OF STATE

358 - 366.?

UNCLASSIFIED
CLASSIFICATION

For each address check one ACTION | INFO

75P

DATE REC'D.

DATE SENT

12/22/69

3P
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ACTION
N 10
INFO.

TO - Embassy NEW DELHI AIDTO A 690

FROM - AID/Washington

SUBJECT - Agriculture Production Promotion PROP Review

REFERENCE - TOAID A-578 ✓

336-11-110-366

EKSEC
IS
PRR
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TAB

AGR
STATE

NESA/W staff and Messrs. Podol and Bauman participated in a review of the PROP October 29, 1969. The project is approved for continuation in the states where AP teams are now operating, and for a project life which will terminate not later than FY 1974. The estimated total cost of the project, as shown in the attached Project Authorization, has been revised to reflect this decision.

The major issue raised in the PROP review was the proposal to expand the project into two new states. Because of two factors, (a) the slow rate of progress to date, and (b) lack of firm plans on project expansion (timing and the states to be assisted) the project should not be expanded beyond the present seven states or continued beyond the presently planned termination date of FY 1974.

NEW DELHI
HECTO

It is our understanding that the GOI is not expected to request assistance for starts in new states until teams presently operating are ready to phase out. If assistance to new states is proposed in the future, each case will be considered on its merit.

ATT

Two additional questions were raised with respect to project expansion into new states. First, why should we send teams into new states which do not already have agricultural universities and second, why can't Indian states which have effective linkages between agricultural extension agents and university research groups, such as the Punjab, offer assistance to sister states? In answer to the first question, it was pointed out in the review that the AP team concept is to link current extension work with any state institution that is presently conducting research, the logic being that institutional linkages established now will lay the groundwork for

DRAFTED BY	OFFICE	PHONE NO.	DATE	APPROVED BY:	PAGES
Robert Rucker	NESA/SA	28224	12/12/69	AA/NESA, Maurice J. Williams	1 OF 2
AID AND OTHER CLEARANCES		NESA/DP: JGovan (draft)		NESA/ID: BNewbry (subs)	
NESA/SA: CHRees		UNCLASSIFIED		NESA/TECH: JBlume (subs)	
NESA/SA: KIPeill		CLASSIFIED		NESA/ID: ARenahaw (subs)	
NESA/SA: RThuscot		SECRET		PFC/PPSS: WJLdoo (draft)	

linkages when the ag university is developed. Comments on the second question noted that Indian states do not presently have the manpower resources to offer assistance to sister states and that Indian states resist for political reasons advice and assistance from another state. Any request for assistance to additional states should discuss these questions as they apply to the particular states involved.

There was some discussion about possible conflicts between the two project goals. It was agreed that both building institutional linkages and solving field problems are integral parts of the project, but it was recognized that the survival of linkages between university research groups and extension agents after the AP teams have left will provide the true test of the project in the long run. While progress toward the important objective of permanent institutional linkages may be difficult to measure, we encourage the Mission to keep focused on the achievement of this objective and to report on progress in the annual evaluation reports (PARs).

As per M.O. 1323.1, this project will be submitted to the Administrator for approval. A separate message on the Administrator's review follows.

ROGERS

PROJECT AUTHORIZATION

1. PROJECT NUMBER 386-11-110-366	3. COUNTRY India	4. AUTHORIZATION NUMBER
2. PROJECT TITLE Agriculture Production Promotion		5. AUTHORIZATION DATE 4-23-70
7. LIFE OF PROJECT		6. PROP DATED 6/24/69

a. Number of Years of Funding: 8
Starting FY 1967; Terminal FY 19 74

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

8. FUNDING BY FISCAL YEAR (in U.S. \$ or \$ equivalent)	DOLLARS		P.L. 480 CCC + FREIGHT	LOCAL CURRENCY Exchange Rate: \$1 = 7.60 Rs.			
	GRANT	LOAN		U.S. OWNED		HOST COUNTRY	
				GRANT	LOAN	JOINTLY PROGRAMMED	OTHER
Prior through Actual FY 69	2,791,000					1,855,000	
Operational FY 70	1,250,000					777,000	
Budget FY 71	1,500,000					1,165,000	
B + 1 FY 72	800,000					510,000	
B + 2 FY 73	150,000					100,000	
B + 3 FY 74	97,000					55,000	
All Subsequent FY's							
TOTAL	6,588,000					4,462,000	

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

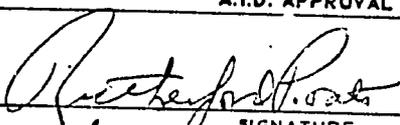
The project is approved for continuation in the states where Agriculture Production teams are now operating. The project termination date 1974 will be adhered to for completion of existing activities. If the Government of India requests assistance to new states, each case will be determined on its merit.

(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 magnitude 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
 SIGNATURE A/AID for John A. Hannah TITLE	DATE <u>4/23/70</u>	AA/NESA Maurice Williams	12/15/69
		A/CONT	