

3860367 (5)

FEB 27 1969

AID 1020-28 (7-68)

PROJECT APPRAISAL REPORT (PAR)
(U-446) See M.O. 1026.1

SECURITY CLASSIFICATION: **Unclassified**

001 PROJECT NUMBER: **386-11-190-367.1**

002 PAR MO. UAY YR. 003 U.S. OBLIGATION SPAN 004 PROJECT TITLE

AS OF: 2 3 1 69 FY 6 7 TWU FY 1 2

005 COOPERATING COUNTRY - REGION - AID/W OFFICE: **India NESAS/SA**

004 PROJECT TITLE: **PD - AAD - 112 - A1**
Agr. Inputs Dev. (Fertilizer)
Reference Center: **A.I.D.**

006 FUNDING TABLE

AID DOLLAR FINANCING OBLIGATIONS (\$000)	TOTAL	CONTRACT (NON-ADD)	PERSONNEL SERVICES			PARTICIPANTS		COMMODITIES		OTHER COSTS	
			AID	PASA	CONTRACT	DIR PASA	CONTRACT	DIR PASA	CONTRACT	DIR PASA	CONTRACT
CUMULATIVE NET THRU ACTUAL YEAR (FY 19)	516	47	86	51	47	331	-	1			
PROPOSED OPERATIONAL YEAR (FY 19)	257	-	53	34		168	-	2			

CCC VALUE OF P.L. 480 COMMODITIES (\$000) → Thru Actual Year : Operational Year Program :

007 IMPLEMENTING AGENCY TABLE

If contractors or participating agencies are employed, enter the name and contract or PASA number of each in appropriate spaces below; in the case of voluntary agencies, enter name and registration number from M.O. 1551.1, Attachment A. Enter the appropriate descriptive code in columns b and c, using the coding guide provided below.

TYPE CODE b	TYPE CODE c	a. IMPLEMENTING AGENCY	TYPE CODE		d. CONTRACT/PASA/VOLAG NO.	e. LEAVE BLANK FOR AID/W USE
			b.	c.		
1. U.S. CONTRACTOR	0. PARTICIPATING AGENCY					
2. LOCAL CONTRACTOR	1. UNIVERSITY					
3. THIRD COUNTRY CONTRACTOR	2. NON PROFIT INSTITUTION					
4. PARTICIPATING AGENCY	3. ARCHITECTURAL & ENGINEERING					
5. VOLUNTARY AGENCY	4. CONSTRUCTION					
6. OTHER:	5. OTHER COMMERCIAL					
	6. INDIVIDUAL					
	7. OTHER:					

PART I - PROJECT IMPACT

I-A. GENERAL NARRATIVE STATEMENT ON PROJECT EFFECTIVENESS, SIGNIFICANCE & EFFICIENCY.

This summary narrative should begin with a brief (one or two paragraph) statement of the principal events in the history of the project since the last PAR. Following this should come a concise narrative statement which evaluates the overall efficiency, effectiveness and significance of the project from the standpoint of:

- (1) overall performance and effectiveness of project implementation in achieving stated project targets;
- (2) the contribution to achievement of sector and goal plans;
- (3) anticipated results compared to costs, i.e., efficiency in resource utilization;
- (4) the continued relevance, importance and significance of the project to country development and/or the furtherance of U.S. objectives.

Include in the above outline, as necessary and appropriate, significant remedial actions undertaken or planned. The narrative can best be done after the rest of PART I is completed. It should integrate the partial analyses in I-B and I-C into an overall balanced appraisal of the project's impact. The narrative can refer to other sections of the PAR which are pertinent. If the evaluation in the previous PAR has not significantly changed, or if the project is too new to have achieved significant results, this Part should so state.

008 NARRATIVE FOR PART I-A (Continue on form AID 1020-25 I as necessary):

This sub-project has been underway less than two years. This is the first PAR. Progress towards achievement of objectives has been just short of outstanding. Working with and through two key organizations (The Fertilizer Association of India - an industry-wide, trade association, and the Fertilizer Corporation of India - the largest public producer of fertilizer in India) the

MISSION DIRECTOR APPROVAL →	SIGNATURE	DATE
	DD - John Funari	February 11, 1969

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Unclassified**386-11-190-367.1****PAR CONTINUATION SHEET**

This sheet is to be used for any Narrative Sections for which sufficient space has not been provided on the form. Identify each narrative by its Part and Section Designation.

008 Narrative for Part I-A (continued)

two U.S. fertilizer marketing specialists assigned to this project has been able to influence, directly and indirectly, the marketing policies and programs of practically all of the manufacturers of fertilizers in India. Through these organizations, the GOI fertilizer import and distribution policies including licensing of dealers, have been favorably influenced. Private dealers now are able to obtain licenses where formerly fertilizer was rationed by the Fertilizer Pool which tightly controlled sales through cooperative and State Agriculture Department monopolies.

The multiplier or spread effect of the project has been particularly outstanding. A high return has obtained from a minimal input of men and money. The project continues to be highly relevant and important to the achievement of U.S. objectives. That portion of the project dealing with a comprehensive Fertilizer Law has been completed as the draft legislation has been prepared for the GOI and States to enact and put into effect.

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PART I-B - PROJECT EFFECTIVENESS

009

I-B-1 - OUTPUT REPORT AND FORECAST - (See detailed instructions)

1. CODE NO. AID/W USE ONLY	2. This section is designed to record progress toward the achievement of each project output target which was scheduled in the PIP, Part II. Where progress toward a target is significantly greater or less than scheduled, describe reason(s) beneath the target.	ACTUAL AND PLANNED OUTPUTS (ALL DATA CUMULATIVE)				
		3 ACTUAL CUM. TO DATE	4. AS OF PRIOR JUNE 30		5. PLANNED BY NEXT JUNE 30	6 PROJECTED TOTAL FOR PROJECT LIFE
			a. PLANNED	b. ACTUAL		
	<p>1. Development of sound, effective fertilizer distribution and marketing programs responsive to farmers' requirements.</p> <p>2. Increase fertilizer production (through participant training element only).</p>	NA	NA	NA	NA	NA

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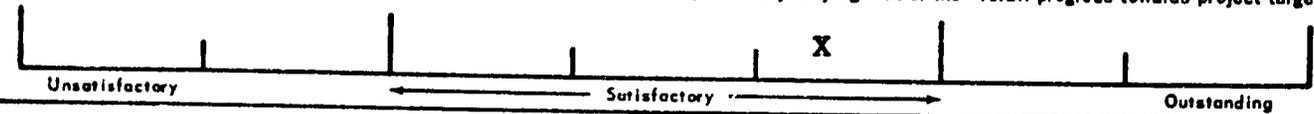
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PART I-B - Continued

010

B.2 - OVERALL ACHIEVEMENT OF PROJECT TARGETS

Place an "X" within the bracket on the following seven-point scale that represents your judgment of the overall progress towards project targets:



PART I-C - PROJECT SIGNIFICANCE

011

C.1 - RELATION TO SECTOR AND PROGRAM GOALS (See detailed instructions M.O. 1026.1)

This section is designed to indicate the potential and actual impact of the project on relevant sector and program goals. List the goals in col. b and rate potential and actual project impact in cols. c and d.

a. CODE NO. (AID/W USE ONLY)	SCALE FOR COLUMN c: 3= Very Important; 2= Important; 1= Secondary Importance SCALE FOR COLUMN d: 3= Superior/Outstanding; 2= Adequate/Satisfactory/Good; 1= Unsatisfactory/Marginal	c. POTENTIAL IMPACT ON EACH GOAL IF PROJECT ACHIEVES TARGETS	d. ACTUAL IMPACT ON GOAL TO DATE RELATIVE TO PROGRESS EXPECTED AT THIS STAGE
	b. SECTOR AND PROGRAM GOALS (LIST ONLY THOSE ON WHICH THE PROJECT HAS A SIGNIFICANT EFFECT)		
(1)	Assist India to achieve self-sufficiency in food production.	3	2
(2)	Help achieve adequate supply and distribution of essential agricultural inputs, accompanied by the appropriate technology.	3	2
(3)	Help develop the indigenous institutions, technical skills and management capability necessary to assure the full application of agricultural inputs.	3	2
(4)	Help develop appropriate processing, marketing and distribution mechanisms for the agricultural products.	3	2

For goals where column c. is rated 3 or 2 and column d. is rated 1, explain in the space for narrative. The narrative should also indicate the extent to which the potential impacts rated 3 or 2 in column c. are dependent on factors external to the achievement of the project targets, i.e., is there a substantial risk of the anticipated impact being forestalled by factors not involved in the achievement of project targets. If possible and relevant, it also would be useful to mention in the narrative your reading of any current indicators that longer-term purposes, beyond scheduled project targets, are likely or unlikely to be achieved. Each explanatory note must be identified by the number of the entry (col. b) to which it pertains.

012 NARRATIVE FOR PART I-C.1 (Continue on form AID 1020-25 1):

(1)c, (2)c, and (3)c: The impact of fertilizers, including fertilizer marketing, is influenced by factors external to the project as, prices, infrastructure, policies, and the availability of related technology and inputs (i.e., seeds, pesticides, machinery, water) conditioning the use of fertilizers. So far these external factors have been favorable and except for infrastructure limitations the probability is that generally favorable conditions will continue for several years (beyond that we cannot predict).

(4)c: Continued and more widespread relaxation and liberalization of of licensing requirements for fertilizer dealers is dependent upon the continuation of favorable center and state policies. Freedom in marketing and selling fertilizers in several states is having a salutary spreading influence on the relaxation of administrative controls on other agricultural inputs.

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386-11-190-367.1**PART I-C - Continued****C.2 - GENERAL QUESTIONS**

These questions concern developments since the prior PAR. For each question place "Y" for Yes, "N" for No, or "NA" for Not Applicable in the right hand column. For each question where "Y" is entered, explain briefly in the space below the table.	MARK IN THIS COL.
013 Have there been any significant, unusual or unanticipated results not covered so far in this PAR?	Y
014 Have means, conditions or activities other than project measures had a substantial effect on project output or accomplishments?	Y
015 Have any problems arisen as the result of advice or action or major contributions to the project by another donor?	N
016 If the answer to 014 or 015 is yes, or for any other reason, is the project now less necessary, unnecessary or subject to modification or earlier termination?	Y
017 Have any important lessons, positive or negative, emerged which might have broad applicability?	Y
018 Has this project revealed any requirement for research or new technical aids on which AID/W should take the initiative?	N
019 Do any aspects of the project lend themselves to publicity in newspapers, magazines, television or films in the United States?	Y
020 Has there been a lack of effective cooperating country media coverage? (Make sure AID/W has copies of existing coverage.)	N

021 **NARRATIVE FOR PART I-C.2** Identify each explanatory note by the number of the entry to which it pertains. (Continue on form AID 1020-25 I as necessary):

- 013 - Unanticipated sudden surge of interest and activity on part of the fertilizer industry to increase distribution and marketing programs.**
- 014 - Policies and actions of Central Government to liberalize marketing has had a substantial salutary effect. Conversely, actions of several states to thwart implementation of liberal policies and continue marketing monopolies by the state and cooperatives have slowed project progress in those states.**
- 016 - The actions of the Center have facilitated project progress and favor continuation of the project, whereas the interfering actions of certain states, prolongs the need. In both instances the need for the project without modification continues.**
- 017 - The importance of favorable government policies stands out as being significant in accelerating progress. Also, the effectiveness of working through an industry trade association (in this case, the Fertilizer Association of India) is clearly apparent and suggests supporting trade associations as a calculated strategy to influence policies and actions, both by government and industry, regarding key agricultural inputs.**
- 019 - The success of the Fertilizer Association of India and AID's involvement in building it to its present state.**

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Unclassified**386-11-190-367.1****PART II - IMPLEMENTATION REPORT****II-A - STATUS OF SCHEDULE**

022 A-1 - INDIVIDUAL ACTIONS (See detailed instructions M.O. 1026.1). This is a listing of major actions or steps which were scheduled for physical start or continuing implementation in the reporting period as reflected in the Project Implementation Plan, Part I.

(a) PIP ITEM NO.	MAJOR ACTIONS OR STEPS; CAUSES AND RESULTS OF DELAYS; REMEDIAL STEPS	(b) STATUS - PLACE AN "X" IN ONE COLUMN		
		(1) BEHIND SCHEDULE	(2) ON SCHEDULE	(3) AHEAD OF SCHEDULE
NA	<p>Develop an effective "train the trainer" capability in FAI with regard to assisting the fertilizer industry train marketing and sales personnel.</p> <p>Establish within FAI the capability to carryout and disseminate economic and statistical studies regarding fertilizer production demand, distribution, marketing and use.</p> <p>Upgrade and expand FAI's publications and audio-visual services.</p> <p>Establish within FAI an information reference service on fertilizer technology marketing and use.</p> <p>Develop and put into use an organizational pattern for an effective Marketing Division in the Fertilizer Corporation of India.</p> <p>Build an appropriate distribution and dealer system to successfully market products of the Fertilizer Corporation of India.</p> <p>Provide participant training programs to upgrade and improve the operating efficiency of:</p> <ol style="list-style-type: none"> 1. Fertilizer marketing and sales personnel. 2. Fertilizer engineers, plant managers and other key personnel. <p>* Vested interest in maintaining current organization is being slowly overcome. Prospects are good for eventual change-over.</p>	X	X	

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PART II - Continued

023

II-A.2 - OVERALL TIMELINESS

In general, project implementation is (place an "X" in one block):

(a) On schedule	X
(b) Ahead of schedule	
(c) Behind schedule	
(1) AID/W Program Approval	
(2) Implementing Agency (Contractor/Participating Agency/Voluntary Agency)	
(3) Technicians	
(4) Participants	
(5) Commodities (non-FFF)	
(6) Cooperating Country	
(7) Commodities (FFF)	
(8) Other (specify):	

BLOCK (c): If marked, place an "X" in any of the blocks one thru eight that apply. This is limited to key aspects of implementation, e.g., timely delivery of commodities, return of participants to assume their project responsibilities, cooperating country funding, arrival of technicians.

II-B - RESOURCE INPUTS

This section appraises the effectiveness of U.S. resource inputs. There follow illustrative lists of factors, grouped under Implementing Agency, Participant Training and Commodities, that might influence the effectiveness of each of these types of project resources. In the blocks after only those factors which significantly affect project accomplishments, write the letter **P** if effect is positive or satisfactory, or the letter **N** if effect is negative or less than satisfactory.

1. FACTORS-IMPLEMENTING AGENCY (Contract/Participating Agency/Voluntary Agency)

024 IF NO IMPLEMENTING AGENCY IN THIS PROJECT. PLACE AN "X" IN THIS BLOCK:	X	032 Quality, comprehensiveness and candor of required reports	
025 Adequacy of technical knowledge		033 Promptness of required reports	
026 Understanding of project purposes		034 Adherence to work schedule	
027 Project planning and management		035 Working relations with Americans	
028 Ability to adapt technical knowledge to local situation		036 Working relations with cooperating country nationals	
029 Effective use of participant training element		037 Adaptation to local working and living environment	
030 Ability to train and utilize local staff		038 Home office backstopping and substantive interest	
031 Adherence to AID administrative and other requirements		039 Timely recruiting of qualified technicians	
		040 Other (describe):	

2. FACTORS-PARTICIPANT TRAINING

041 IF NO PARTICIPANT ELEMENT IN PROJECT. PLACE AN "X" IN THIS BLOCK:		TRAINING UTILIZATION AND FOLLOW UP	
PREDEPARTURE		052 Appropriateness of original selection	P
042 English language ability	P	053 Relevance of training for present project purposes	P
043 Availability of host country funding	P	054 Appropriateness of post-training placement	P
044 Host country operational considerations (e.g., selection procedures)	P	055 Utility of training regardless of changes in project	P
045 Technical/professional qualifications	P	056 Ability to get meritorious ideas accepted by supervisors	
046 Quality of technical orientation	P	057 Adequacy of performance	
047 Quality of general orientation	P	058 Continuance on project	
048 Participants' collaboration in planning content of program	P	059 Availability of necessary facilities and equipment	P
049 Collaboration by participants' supervisors in planning training	P	060 Mission or contractor follow-up activity	
050 Participants' availability for training	P	061 Other (describe):	
051 Other (describe):			

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PART II-B - Continued

3. FACTORS-COMMODITIES

PLACE AN "X" IN APPROPRIATE BLOCK:	062 FFF	063 NON-FFF	064 NO COMMODITY ELEMENT	X	072 Control measures against damage and deterioration in shipment.
065 Timeliness of AID/W program approval (i.e., PIO/C, Transfer Authorization).					073 Control measures against deterioration in storage.
066 Quality of commodities, adherence to specifications, marking.					074 Readiness and availability of facilities.
067 Timeliness in procurement or reconditioning.					075 Appropriateness of use of commodities.
068 Timeliness of shipment to port of entry.					076 Maintenance and spares support.
069 Adequacy of port and inland storage facilities.					077 Adequacy of property records, accounting and controls.
070 Timeliness of shipment from port to site.					078 Other (Describe):
071 Control measures against loss and theft.					

Indicate in a concise narrative statement (under the heading a. Overall Implementation Performance, below) your summary appraisal of the status of project implementation, covering both significant achievements and problem areas. This should include any comments about the adequacy of provision of direct hire technicians as well as an overall appraisal of the comments provided under the three headings (b, c & d) which follow. For projects which include a dollar input for generation of local currency to meet local cost requirements, indicate the status of that input (see Detailed Instructions).

Discuss separately (under separate headings b, c & d) the status of Implementing Agency Actions, Participants and Commodities. Where above listed factors are causing significant problems (marked N), describe briefly in the appropriate narrative section: (1) the cause and source of the problem, (2) the consequences of not correcting it, and (3) what corrective action has been taken, called for, or planned by the Mission. Identify each factor discussed by its number.

079 NARRATIVE FOR PART II-B: (After narrative section a. Overall Implementation Performance, below, follow, on form AID 1020-25) as needed, with the following narrative section headings: b. Implementing Agency, c. Participants, d. Commodities. List all narrative section headings in order. For any headings which are not applicable, mark them as such and follow immediately below with the next narrative section heading.)

a. Overall Implementation Performance.

See Block 008

c. Participant Training: All participants are selected from experienced employees of the GOI and public and private sector fertilizer corporations; thus, effective utilization of training is generally assured.

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PART III - ROLE OF THE COOPERATING COUNTRY

The following list of illustrative items are to be considered by the evaluator. In the blank after only those items which significantly affect project effectiveness, write the letter P if the effect of the item is positive or satisfactory, or the letter N if the effect of the item is negative or less than satisfactory.

SPECIFIC OPERATIONAL FACTORS:

080 Coordination and cooperation within and between ministries.	N
081 Coordination and cooperation of LDC gov't. with public and private institutions and private enterprise.	P
082 Availability of reliable data for project planning, control and evaluation.	P
083 Competence and/or continuity in executive leadership of project.	P
084 Host country project funding.	P
085 Legislative changes relevant to project purposes.	N
086 Existence and adequacy of a project-related LDC organization.	P
087 Resolution of procedural and bureaucratic problems.	N
088 Availability of LDC physical resource inputs and/or supporting services and facilities.	P
089 Maintenance of facilities and equipment.	
090 Resolution of tribal, class or caste problems.	
091 Receptivity to change and innovation.	
092 Political conditions specific to project.	P
093 Capacity to transform ideas into actions, i.e., ability to implement project plans.	
094 Intent and/or capacity to sustain and expand the impact of the project after U.S. inputs are terminated.	P
095 Extent of LDC efforts to widen the dissemination of project benefits and services.	P
096 Utilization of trained manpower (e.g., participants, counterpart technicians) in project operations.	P
097 Enforcement of relevant procedures (e.g., newly established tax collection and audit system).	
098 Other:	
HOST COUNTRY COUNTERPART TECHNICIAN FACTORS:	
099 Level of technical education and/or technical experience.	P
100 Planning and management skills.	P
101 Amount of technician man years available.	P
102 Continuity of staff.	P
103 Willingness to work in rural areas.	P
104 Pay and allowances.	
105 Other:	P

In the space below for narrative provide a succinct discussion and overall appraisal of the quality of country performance related to this project, particularly over the past year. Consider important trends and prospects. See Detailed Instructions for an illustrative list of considerations to be covered.

For only those items marked N include brief statements covering the nature of the problem, its impact on the achievement of project targets (i.e., its importance) and the nature and cost of corrective action taken or planned. Identify each explanatory note.

106 NARRATIVE FOR PART III (Continue on form AID 1020-25 I):

080 - Two ministries of the GOI (Agriculture and Petroleum and Chemicals), the public sector Fertilizer Corporation and the Fertilizer Association of India (a private trade association) are involved in this sub-project. The Ministry of Agriculture is the principal coordinating agent of the sub-project, though all have a role. Despite usual slowness on procedural matters relating to selection and approval of participants, overall appraisal of country performance is satisfactory. Within the Fertilizer Corporation and the Fertilizer Association where the implementation of plans is carried out, quality of performance has been good.

The normal inertia and slowness in securing action is increased when several ministries, public and private corporations are involved.

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386-11-190-367.1**PAR CONTINUATION SHEET**

This sheet is to be used for any Narrative Sections for which sufficient space has not been provided on the form. Identify each narrative by its Part and Section Designation.

106 Narrative for Part III (Continued)

085 - The inability of the Center to secure sufficient votes to insure passage of planned fertilizer legislation has prevented obtaining the legal basis for desired changes in fertilizer laws. Fortunately, the Center has been able to handle many outstanding problems of quality control and other fertilizer matters by administrative rulings and procedures.

087 - See 080 on previous page.

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PART IV - PROGRAMMING IMPLICATIONS

IV-A - EFFECT ON PURPOSE AND DESIGN

Indicate in a brief narrative whether the Mission experience to date with this project and/or changing country circumstances call for some adjustment in project purposes or design, and why, and the approximate cost implications. Cover any of the following considerations or others that may be relevant. (See Detailed Instructions for additional illustrative considerations.) Relevant experience or country situations that were described earlier can simply be referenced. The spelling out of specific changes should be left to the appropriate programming documents, but a brief indication of the type of change contemplated should be given here to clarify the need for change.

For example, changes might be indicated if they would:

1. better achieve program/project purposes;
2. address more critical or higher priority purposes within a goal plan;
3. produce desired results at less cost;
4. give more assurance of lasting institutional development upon U.S. withdrawal.

107 NARRATIVE FOR PART IV-A (Continue on form AID 1020-25 I):

The portion of the sub-project concerned with developing fertilizer legislation was completed in the second quarter of FY 1969 as draft legislation has been prepared. The generally favorable project progress and the continuing urgent need indicate and emphasize the continuation and expansion of the marketing element to include cooperative marketing. A cooperative component would make it possible for this sub-project to reach and influence, directly and indirectly, most of the manufacturers, organizations, companies (public and private) marketing fertilizers in India, thus enhancing the rapid achievement of objectives.

IV-B - PROPOSED ACTION

108 This project should be (Place an "X" in appropriate block(s)):

1. Continued as presently scheduled in PIP.	
2. Continued with minor changes in the PIP, made at Mission level (not requiring submission of an amended PIP to AID/W).	
3. Continued with significant changes in the PIP (but not sufficient to require a revised PROP). A formally revised PIP will follow.	
4. Extended beyond its present schedule to (Date): Mo. ___ Day ___ Yr. ___. Explain in narrative, PROP will follow.	
5. Substantively revised. PROP will follow.	
6. Evaluated in depth to determine its effectiveness, future scope, and duration.	
7. Discontinued earlier than presently scheduled. Date recommended for termination: Mo. ___ Day ___ Yr. ___	
8. Other. Explain in narrative.	X

109 NARRATIVE FOR PART IV-B:

The Mission will consider including assistance in marketing for the cooperatives which play such a significant role in fertilizer distribution. This decision will be made known in the PROP to be submitted this spring.

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