

I. PROJECT IDENTIFICATION

PROJECT TITLE: Development Services and Training Grant
 PD-AAD-132-B1
 APPENDIX ATTACHED: YES NO
 2. PROJECT NO. (M.O. 1025.2): 388-11-190-002

3. RECIPIENT (Country): Country: Bangladesh International
 4. LIFE OF PROJECT: BEGINS BY 1974 ENDS BY 1976
 5. SUBMISSION: ORIGINAL 10/30/73 DATE: REV. NO. DATE: COUNTRY/AREA NO. 160

II. FUNDING (\$000) AND MAN MONTHS (MM) REQUIREMENTS

A. FUNDING BY FISCAL YEAR	B. TOTAL \$	C. PERSONNEL		D. PARTICIPANTS		E. COMMODITIES \$	F. OTHER COSTS \$	G. PASA/CONTR.		H. LOCAL EXCHANGE CURRENCY RATE: \$ US PER 1 UNIT OF COUNTRY CURRENCY		
		(1) \$	(2) MM	(1) \$	(2) MM			(1) \$	(2) MM	(1) U.S. GRANT LOAN	(2) COOP COUNTRY	(3) BUDGET
1. PRIORITY												
2. ACTUAL												
3. OPEN FY		(Sub obligation Basis)										
4. BUDGET FY 1974	140	100	18	40	25	--	--	100	18			Est. Taka 30000
5. BUDGET FY 1975	618	385	75	213	150	--	--	355	75			based on agreed contribution of TK. 3,000 per
6. BUDGET FY 1976	242	165	38	177	50	--	--	165	30			m/m of technical services rendered
7. ALL BUDGET FY												Also in kind Participant fare paid to
8. GRAND TOTAL	1000	650	121	350	225			650	123			turning point
9. OTHER COSTS CONTRIBUTIONS										10. KIND OF GOODS/SERVICES		
										nepal/other/airline		

III. ORIGINATING OFFICE CLEARANCE

1. DRAFTER: RWEckman, ASIA/SA *RWEckman* TITLE: Off, Bangladesh Desk DATE: 10/30/73
 2. CHECKER: JJDalton, ASIA/TECH *JJDalton* TITLE: Chief, Sector and Project Planning Staff DATE: 10/30/73

IV. PROJECT AUTHORIZATION

1. CONDITIONS OF APPROVAL: (Original version revised by USAID, Bangladesh Office. Subsequent changes approved by exchange of cables State 21703 (10/12/73) and Decree 463 (10/17/73)).

2. CLEARANCES		3. APPROVALS BY OR OFFICE DIRECTORS		4. APPROVAL A/ID (See M.O. 1025.1 VIC)	
BUR/OFF	SIGNATURE	DATE	BUR/OFF	SIGNATURE	DATE
ASIA/SA	Chiles <i>Ross</i>	10/30/73	PRC/DER	<i>Handly</i>	10/31/73
ASIA/DP	Ashakov <i>Ashakov</i>	11/6/73	PRC/RC	Egriffel <i>Egriffel</i>	31/01/73
ASIA/TECH	Ballantyne <i>Ballantyne</i>	11/7/73			
5. APPROVAL A/ID (See M.O. 1025.1 VIC)			6. APPROVAL A/ID (See M.O. 1025.1 VIC)		
Signature: <i>[Signature]</i>		DATE: 11/6/73	Signature: <i>[Signature]</i>		DATE: <i>[Blank]</i>
7. Assistant Administrator, Bureau for Asia			8. ADMINISTRATOR, AGENCY FOR INTERNATIONAL DEVELOPMENT		

388-11-190-002

1. Rationale

Bangladesh is heavily dependent on agriculture as the source of domestic income and foreign exchange. This country is also the most densely populated major country in the world, with one of the highest rates of population growth. Domestic foodgrain and cash crop production lag far behind national needs. Low crop productivity has to be stimulated.

A most crucial task facing the leaders of the new nation is to find the means by which agricultural production can be increased. An annual deficit averaging one million tons prior to the disasters of 1970-72 must be closed. In addition, increases in caloric intake beyond minimums necessary for survival, crop diversification, cheaper and higher quality jute for export and other benefits are all dependent on an agricultural strategy which will do more than simply close the foodgrain gap.

The potential for agriculture development is encouraging. Bangladesh has fertile soil, abundant labor, and ample water. Farmers have been convinced of the benefits of high yielding varieties. Although the Bangladesh Government (BDG) possesses some very able senior policy-planners and administrators, trained middle-level technical leadership for planning, research, management, and evaluation of rural development programs is limited.

The problem of how to marry these assets to the modern agricultural technology of high yielding varieties preoccupied previous governmental authorities (and foreign donors) and continues to be a major concern of independent Bangladesh. One approach has been the

replication of several rural development programs that have evolved from experimental work under the auspices of the Bangladesh Academy for Rural Development (BARD) in Comilla District. These are the Thana Irrigation Program (TIP), the Rural Works Program (RWP) and, more recently, the Integrated Rural Development Program (IRDP) which are designed to provide production credit, farmer training and inputs to small farmers. These programs are building valuable rural institutions for organizing more farmers into cooperatives, more fully employing seasonally unemployed labor, building infrastructure and expanding the coverage of high yielding varieties.

Although the precise roles of these institutions are still evolving, the IRDP, RWP, and TIP are now and will for the foreseeable future remain key rural development programs for the government. (Others, such as the Samabaya Cooperatives, are expected to play important but lesser national building roles in the future.)

On the more technical side, key programs include the research facilities of the Bangladesh Rice Research Institute (BRRI), Mymensingh University, BARD and the Bangladesh Institute of Development Economics. The Ministry of Agriculture, in addition to BRRI, has departments responsible for seed development, plant protection of high yielding varieties, and its regular agricultural extension service which operates nationwide. The Agricultural Development Cooperation (ADC) has been responsible for the procurement and distribution of fertilizers, pesticides, seeds, pumps and tubewells.

The programs described above have great potential for making a significant contribution to the economic and social development of rural Bangladesh. Moreover, because of their contact with the rural populace, they are potential channels for experimental programs in

health, non-formal education and family planning. To the extent that these programs are strengthened and well managed, an organizational capacity is created for carrying on development efforts in other fields.

Progress in agriculture and rural development hinges upon the effectiveness of these key programs, but their effectiveness is in large part a function of planning, research, and program management. These are areas in which technical assistance and training can play a critical role because severe shortages of trained personnel, particularly at the management level, can hamper the implementation of present programs and threaten the viability of their expansion. Under these conditions, the role for foreign technical assistance is to work in response to government requests for advisors and training to strengthen the capabilities of rural development and agricultural agencies to plan and implement their activities.

2. Special Technical Assistance

It is our judgment that AID can usefully associate its limited technical assistance grant funds with key BDG programs in accordance with a set of mutual priorities for technical advice and foreign training that emphasize development of planning, research, program management, and evaluation leading to increased agricultural production and rural employment. The Bangladesh Planning Commission (PC) would have primary responsibility for programming of relevant foreign technical services, determining foreign training needs, and selecting appropriate training institutions as well as trainees.

In making overall resource allocations, the PC participates actively in sector and program level decisions and therefore may also have an internal requirement for specialized technical assistance. This would

have particular relevance in the case of planning for the utilization of major rural development loans. Thus, while its primary role in the execution of this grant will be to program technical assistance and training for the operating agencies of the government, the Planning Commission may also be a direct consumer of high-level policy planning and research assistance.

A basic objective in soliciting foreign technical assistance is to employ it to make fundamental improvements in the utilization of indigenous manpower resources. In its document "Requirements of Technical Assistance (First Five Year Plan)" prepared for the International Meeting on the Development of Bangladesh, the BDG stressed the need to make better use of local personnel, and to utilize foreign technical assistance within that context. This proposed Technical Assistance Grant (TAG) would support this aim by providing resources for manpower development by associating U.S. technical expertise with Bengalee personnel and institutions.

Lastly, the most important aspect of the proposed grant is that it can be implemented within the framework of existing Bangladesh institutions and programs. The grant does not require the setting up of new programs or authorities. Its limited resources will be applied where joint review indicates that the impact will be greatest to strengthen the Government's capacity to determine its priorities and to achieve its objectives.

3. Uses of Grant Funds

There are four basic ways in which the proposed grant can be used by the BDG to strengthen its overall capacity to plan, research, and manage rural and agricultural development programs. The grant can be used:

- a. To bring in long and short-term advisors to provide expertise in planning, research, program management, and evaluation.
- b. To provide for short-term, job related training for Bengalee officials, with particular emphasis on utilizing training opportunities in developing countries.
- c. To develop staff at key institutions through longer term training of selected professional staff.
- d. To make it possible for the BDG to arrange international seminars and conferences to focus professional attention on key problems and by so doing take advantage of foreign expertise that may not be available on any other terms.

The Planning Commission has already made a preliminary survey of BDG agencies to determine what technical assistance and training might be required. The list of requirements generated from this survey considerably exceeds the available funding and differs sometimes from the purposes specified under this proposed grant. To prepare the program plan for the utilization of the grant, the PC in consultation with its line ministries will (a) make a specific analysis of requirements, (b) allocate training and technical assistance in accordance with the priorities articulated in the Five Year Plan, and (c) refine these in negotiations with USAID. Priority is to be given to those activities that have an obvious relationship to increased agricultural production and rural employment, especially areas related to other AID assistance.

Thus, of the broad requirements reflected in the preliminary PC survey, the following fields are illustrative candidates, as follows:

Technical Advisory Services:

- a. Planning, managing and evaluation of rural development programs.

- b. Research on improving rural employment and income distribution.
- c. Rural infrastructure planning (e.g. small-scale irrigation, water management, electrification)
- d. Planning cooperative activities (e.g. marketing, storage, and training)
- e. Planning, research and managing rice research.
- f. Planning and managing evaluation activities for the Agricultural Ministry.

Training

- a. Water resources planning (irrigation and drainage).
- b. Economics of irrigation water distribution.
- c. Small-scale irrigation engineering planning.
- d. Cooperative business management.
- e. Cooperative marketing, storage, and processing.
- f. Cooperative credit and finance.
- g. Rural manpower and employment analysis, research and evaluation.
- h. Regional and micro-level planning and evaluation.
- i. Agricultural economics and research methodology.
- j. Applied entomology.
- k. Staff training for:
 - Integrated Rural Development Program (IRDP)
 - Ministry of Agriculture
 - Bangladesh Agricultural Institute
 - Bangladesh Rice Research Institute (BRRI)

4. Course of Action

The BDG will have the primary responsibility for managing the grant. It will choose the technicians to be recruited and contracted subject to AID concurrence. Once the technicians are in country their administrative

support will be a BDG responsibility. Similarly, the selection of fields of study and nomination of trainees will be a BDG function. AID will exercise concurrence rights in the choice of fields and provide guidance on training program costing. To the maximum extent feasible the BDG will arrange actual training programs.

As a condition precedent to disbursement under the grant, BDG will provide AID with: (1) a program plan, subject to change, for the utilization of the grant which will describe the types of technical assistance and training needs to be met with the grant in terms of agreed priorities, types of problems that could be addressed by advisors and training assignments, and (2) evidence that sound procedures have been put into effect for recruiting, selecting, contracting and supporting technicians.

Since this is a pilot grant which will require the BDG to carry out certain functions which it normally has not done with regard to past technical assistance, AID in the first two years will provide standby assistance in locating possible foreign technical assistance advisors. To assist the BDG in contracting for technical services AID will also provide examples of appropriate recruiting systems drawn from its own experience and that of other governments. Similarly, during the first two years of the grant, AID will utilize its Office of International Training (OIT) to assist in arranging training programs in the U.S., and USAID may play a role in establishing third country training programs appropriate to BDG needs.

5. BDG Commitment

The BDG is aware that this is an experimental approach. It is also aware that it must make special efforts to provide adequate logistic

support for long-term technicians, particularly individuals not associated with an institutional contract. It also appreciates that some of the advantages of this approach, namely flexibility, less AID involvement, and important experience in managing technical assistance, may be bought at the cost of initial mistakes and inefficiencies as disclosed by joint evaluations. Nonetheless, the BDG is prepared to accept potential risks along with the benefits. It is important to re-emphasize that the approach of the proposed grant is in accord with the BDG's perception of the way it would like to receive all future technical assistance from external sources.

6. Evaluation

The Planning Commission has personnel engaged in planning and evaluation who will have the primary responsibility for evaluating the effectiveness of technicians and the utility of training under this grant. The grant agreement will also provide for annual reviews concerning the effectiveness of the BDG's evaluation system and overall progress under the grant. Reviews will be jointly participated in by personnel drawn from the BDG and AID.

In order to strengthen this process, a system of evaluation such as developed and used by AID may be adapted to BDG operations. This installation would be separately funded and supervised under special arrangements with AID.

If successful, this grant is intended to be the first of several grants, which in succeeding years may have broader purposes and command larger resources. The first annual program review will therefore have as an additional purpose the assessment of the potential for development of such follow-on grants in light of the experience with the grant.

Logical Framework
Technical Assistance Grant

I. (a) Goal Statement

Support Five Year Plan initiatives of the BDG attempting to attain food self-sufficiency and increase rural employment in a manner ensuring equitable distribution of resources/income through effective planning, research, management and evaluation from a systems operations viewpoint by responsible Bangladesh Government rural development and agricultural agencies.

(b) Measurement of Goal Achievement

1. Redirection of Rural Works Program toward labor-intensive and high-equity projects. Number of man-years of employment generated reaches pre-war level by second year.
2. Expenditure and investment targets for agriculture and rural development programs established in FY 73-74 and 74-75 Annual Development Plans are met. Budget requests for 74-75 year higher on basis of utilization of budgeted resources in prior year.
3. Expansion of minor irrigation, high-yielding varieties, and improved cultural practices including use of fertilizer and pesticides reflected in 5% increase in agricultural production.
4. Integrated Rural Development Program, Rural Works Program, Thana Irrigation Program, and Ministry of Agriculture all installing planning, research, evaluation and management systems designed for specific objectives, with staffing projections and training requirements fixed.

(c) Assumptions of Goal Achievement

1. BDG continues to give highest priority to rural and agricultural development programs as reflected in political and resources allocation decisions.
2. Rural and agricultural development programs receive significant support from other donors.
3. AID inputs under this grant, although small in quantitative terms, will be of high quality and will have cumulative effects with BDG and other donor inputs.
4. There is a linkage between adoption and operation of improved systems of planning, research, management, and evaluation and government agency performance reflected in increased agricultural production, rural employment, and equitable distribution of income.
5. Foreign technical assistance advice and training institutions can provide systems/skills appropriate to the BDG's special needs for planning, research, management and evaluation in rural development and agricultural activities.

II. (a) Purpose

Within three years, strengthen the BDG's capacity to meet the personnel and technical assistance needs within agencies responsible for agriculture and rural development in the areas of planning, research, management and evaluation especially areas associated with AID loan assistance.

(b) Conditions expected at End of Project (EOPS):

1. Installed capabilities in planning, research, management and evaluation as reflected in each agency by such measures as:

- a. Quantified and realistic target setting.
 - b. Establishment of performance measures against progress.
 - c. Project monitoring systems installed as well as effective budget planning and allocation processes.
2. Availability of technically trained local manpower trained to perform explicit tasks associated with (1) above.
 3. Inventoried training and staff needs by principal operational agencies assisted under program.
 4. Capacity to design and evaluate management systems contributory to efficient utilization of scarce personnel resources.
 5. Systems of decision-making and accompanying performance-oriented administration designed, tested, and in place for all IRDP, TIP, and RWP activities and at least one-fifth of the agricultural productivity activities of the BDG.
 6. Capacity of principal agencies to evaluate and improve their own programs concerning use of technical assistance staff, training and use of foreign consultants.

(c) Basic Assumptions

1. Problems that can be effectively attacked by US technical expertise will be identified by the BDG, qualified experts will be recruited, and their work will be useful and accepted.
2. Upon return to assigned positions, training beneficiaries will utilize new skills and perspectives to advantage.
3. Non-project management reorganization decisions made by the Bangladesh Government to create management atmosphere conducive to proper use of project inputs.

4. BDG agencies willing to adapt findings of foreign experts and returned trainees.
5. The principal BDG agencies concerned will be willing to test and install systems of reporting/evaluation which assists in judging performance.

III. (a) Outputs

(Subject to change per Program Plan)

Indicators	Targets
1. Training Areas:	
a. Water resources planning (irrigation and drainage).	60 trained Bengali planners research specialists, program managers and evaluation specialists employed in rural development operational agencies over the period of the grant. (3 years)
b. Economics of irrigation water distribution.	
c. Small-scale irrigation engineering planning.	
d. Cooperative business management.	
e. Cooperative marketing, storage and processing.	
f. Cooperative credit and finance.	
g. Rural manpower and employment analysis, research and evaluation.	
h. Regional and micro-level planning and evaluation.	
i. Agricultural economics.	
j. Applied entomology.	
k. Staff training for (with emphasis on planning, research, evaluation, management information reporting/analysis and implementation techniques/systems.):	
- Integrated Rural Development Program (IRDP)	
- Directorate of Agriculture (DA)	
- Bangladesh Agricultural Institute (BAI)	
- Bangladesh Rice Research Institute (BRRI)	
- Bangladesh Academy for Rural Development (BARD)	

2. Technical Advisory Services

- a. Installation of planning and evaluation systems in rural development programs.
- Planning staffing needs related to priority programs defined and at least partially filled in first year.
- Subsequent targets on planning priorities, staffing, and implementation for Rural Development institutions based on experience in first year.
- b. Policy-oriented research on problems of rural employment and income distribution.
- To determine optimum labor intensiveness of RWP, as reflected in high wage proportion of total rural works cost.
- To develop by second year special programs for training of landless laborers in pump operation and maintenance in conjunction with expansion of TIP.
- c. Rural physical infrastructure planning (small-scale irrigation including relationship regional water development projects, and water management).
- Physical planning systems for rural works activities installed in at least one geographic region in first year.
- d. Planning cooperative activities (e.g. marketing, storage, and training.)
- Cooperative Marketing Plan for IRDP Thanas developed.
- Plan tested and installed in 1 Thana during first year and selection of subsequent year targets based on first year experience.
 - Improved cooperative financial management and training systems installed.
 - New system established in 30 IRDP Thanas in first year.

- e. Planning and managing Agricultural research.

Improved policy-oriented and technical research capabilities of Directorate of Agriculture, and BIRRI measurably contributing to macro/micro planning activities of the BDG.

- f. Planning and managing evaluation activities for the Agriculture Ministry.

Reporting and management information analysis systems installed in Agriculture Ministry.

(b) Basic Assumptions

1. The role and capacity of the Planning Commission to plan, integrate, coordinate and implement its various responsibilities under this program will be clearly understood and effectively executed.
2. Participating operational agencies will effectively cooperate with the Ministry of Planning and implement the agency-specific components of this program.
3. Effective and appropriate foreign technical assistance will be recruited and assigned on a timely basis under systems operated through the PC.
4. Foreign technicians will receive adequate BDG support allowing them to operate effectively.
5. Trainees will be carefully selected according to defined priorities and established standards; and suitable training programs will be identified and utilized on a timely basis.
6. Plans developed will be realistic in terms of local needs, technical capabilities, and available resources.
7. Systems of management, planning, research, evaluation, and management will be actively improved by participating operational

agencies with emphasis upon interlinking at all levels of decision making.

8. All systems designed, tested, and applied will be agency-specific in charter and appropriate to local operational conditions.

IV. Project Inputs

(a) Bengali Inputs

1. Coordinating responsibilities, surveys of needs, recruitment of foreign technical assistance staff, placement of Bengali trainees abroad.
2. Trainee air travel costs to furthest location served by national airline, plus TK. 3,000 per m/m of technical services rendered as program support contribution.
3. Selected housing, transportation, clerical staff, and other in-kind costs incurred supporting foreign technicians.

(b) US Inputs

1. \$350,000 to cover costs of 4 to 5 long-term technical advisors.
2. \$300,000 to cover the costs of 20 to 40 short-term technical advisors.
3. \$350,000 to cover the costs of 225 Man/Months of Bengali foreign training costs.