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FROM - USAID - Dacca

P.O. 12065

SUBJECT - Evaluation Summary of Small Scale Irrigation (388-0019)

REFERENCE -

AIDAC

Attached for your reproduction and distribution is the PES of Small Scale Irrigation (Project No. 388-0019).

SCHNEIDER

Attachment: a/s

rec'd 5/2/79

PAGE OF PAGES

DRAFTED BY PRO:ASayed:as	OFFICE PRO	PHONE NO. 240	DATE 12/28/78	APPROVED BY: DIR(A):RLPodol
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A. I. D. AND OTHER CLEARANCES

PRO:EP Rhatigan

PRO:IK Crandall

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PROJECT EVALUATION SUMMARY (PES) - PART I

Report Symbol U-447

1. PROJECT TITLE Small Scale Irrigation	2. PROJECT NUMBER 388-0019	3. MISSION/AID/W OFFICE Bangladesh
	4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY) 79-2	

5. KEY PROJECT IMPLEMENTATION DATES	6. ESTIMATED PROJECT FUNDING	7. PERIOD COVERED BY EVALUATION
A. First PRO-AG or Equivalent FY <u>76</u> B. Final Obligation Expected FY <u>76</u> C. Final Input Delivery FY <u>80</u>	A. Total \$ <u>14,800,000</u> B. U.S. \$ <u>14,000,000</u>	From (month/yr.) <u>8/77</u> To (month/yr.) <u>10/78</u> Date of Evaluation Review <u>November 20, 1978</u>

8. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR

A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., airgram, SPAR, PIO, which will present detailed request.)	B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
Revise work plan for the project	BADC & A & W	12/31/78
Make new projection of year-by-year need for Taka to meet agreed project costs and targets.	BADC	12/31/78
Assure availability of budgeted Taka.	BADC and Planning Commission	1/31/79
Establish procedures to monitor imported commodities.	BADC, Amman & Whitney and USAID/AGR	Continuing
Make current estimate of total irrigation handpump requirements for the country.	BADC, USAID/AGR	1/31/79
Establish improved procedures for releasing AID funds.	USAID & BADC	1/31/79

9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS

<input type="checkbox"/> Project Paper	<input type="checkbox"/> Implementation Plan e.g., CPI Network	<input type="checkbox"/> Other (Specify) _____
<input type="checkbox"/> Financial Plan	<input type="checkbox"/> PIO/T	<input type="checkbox"/> Other (Specify) _____
<input type="checkbox"/> Logical Framework	<input type="checkbox"/> PIO/C	<input type="checkbox"/> Other (Specify) _____
<input type="checkbox"/> Project Agreement	<input type="checkbox"/> PIO/P	<input type="checkbox"/> Other (Specify) _____

10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT

A. Continue Project Without Change

B. Change Project Design and/or Change Implementation Plan

C. Discontinue Project

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)

AGR: Emory M. Howard *EMH*

BADC: M. R. Chowdhury *MRC*

PC: Abdul Hannan *AH*

PRO: William T. Oliver *WTO*

DD: Richard L. Podol *RP*

12. Mission/AID/W Office Director Approval

Signature: *RP*

Typed Name: Richard L. Podol

Date: December 27, 1978

13. SUMMARY: The loan agreement was signed in late FY 76 and it was expected that some pump sets would be sold during the October 1976 - March 1977 irrigation season. However, a January 1977 survey revealed that while there were about 30,000 pumpheads in stock in the private sector, there was hardly any pipe. As a result, prices soared, putting the cost out of reach of the small farmer target group. By May 1977 it became clear that the existing Project Implementation Committee would not be able to resolve the problems. It also became clear that there was no mechanism within the BDG for taking the loan funds and channeling them to the private sector for purchase of materials and still have effective control of project commodities. Following the project evaluation in July 1977, USAID and the BDG agreed that the Bangladesh Agricultural Development Corporation (BADC) would assume responsibility for project implementation and that the emphasis of the project would shift from credit to pump production.

Although all parties agreed very quickly to the new project plan in principle, it took eleven months to obtain formal BDG approval of the BADC PP. It took seven months, beginning in December 1977, to negotiate and sign the consultant contract with Amman and Whitney. As a result, a second irrigation season passed with almost no pump sales.

Within the past two months, however, the project has begun to move. The BDG allotted Tk.6,000,000 to the project and BADC has put out tenders for 10,000 pumps. Only recently the BDG provided an additional Tk.20,000,000 for the project which will enable BADC to order 15,000 more pumps. The consultant will soon be fully staffed and prepared to fulfill its inspecting and advising functions.

While BADC is prepared to procure a maximum of 25,000 pumps this irrigation season, the life of project target remains 240,000. To achieve this, over 100,000 pumps will have to be procured in each of the next two years.

14. EVALUATION METHODOLOGY: This was a regular annual evaluation. The project manager provided the background information with assistance from BADC. The issues paper was written by the project manager and the evaluation officer. Representatives of BADC and the Planning Commission and the consultant's project manager participated in the review meeting.

15. EXTERNAL FACTORS: As noted in last year's evaluation, the private sector could not implement the project as originally planned. The last year has been spent in negotiating a new implementation plan with BADC as the responsible agent. This new project design has not really been tested yet.

16. INPUTS: The adjustments of the last year should overcome the previous problems with importing commodities. Consultant services have been added as an input. It is too early to judge whether further adjustments are required.

The BDG has provided Tk.26,000,000 for pump manufacture this year. In order to meet the output targets in the next two years, a much large amount of taka will have to be available. BADC will do a study to determine the year-by-year need for taka and will then work with the Planning Commission to insure that the required amount is included in BADC's budget.

17. OUTPUTS: The first pumps will be available for sale around February 1, 1979. Magnitude of outputs cannot be measured until after that date.

18. PURPOSE: "Provide farmers with private ownership of small scale irrigation equipment."

It is too early to determine progress.

19. GOAL: "Achieve self-sufficiency in foodgrain production in Bangladesh by 1985."

It is too early to determine progress.

20. BENEFICIARIES: It is expected that this project will increase small farmer, labor-intensive agricultural productivity and reduce rates of rural unemployment and underemployment. There is no data on this yet.

21. UNPLANNED EFFECTS: None

22. LESSONS LEARNED: We were probably overly optimistic in thinking that under the new implementation plan that BADC could arrange for the local manufacture of handpumps within a matter of 4 - 6 months. As a matter of fact it has required nearly one year

for the BDG to consider all aspects of the BADC Project Paper and to contract for and have performing on the job a project consultant under terms of code 941 source origin.

A follow-on to this project is planned but we do not have any clear indication yet what the total demand for handpumps might be. While proceeding with this project, BADC will make an estimate of future needs so that we can set realistic targets for the next project.

23. ATTACHMENT:

- A. Chronology of Important Items since Last Evaluation
(July 77 - Nov 78) - 4 pages.

Project Evaluation

Small Scale Irrigation Project (388-0019)

Chronology of Important Items Since Last Evaluation (July 77 - Nov. 78)

1977

- July Draft new implementation plan sent to Planning Commission (P. C.) and BADC.
- August Pursued new plan of implementation.
- Sept. AA/Asia asked to raise duty/taxes problem with Dr. Huda.
- Oct. BDG waived taxes/duty.
Draft Implementation Letter #3 written.
- Nov. AA/Asia approved extension project from FY 1980 to FY 1982.
- Dec. Expressions interest for construction and foundry engineers published.

1978

- Jan. BADC PP completed and sent to P. C. thru Ministry of Agriculture.
- Feb. Implementation letter #3 sent to P. C. for signature.
- USAID sent draft scopes work to BADC for use in developing consultant contract.
- BADC request P. C. (Hannan) for advance approval to buy raw materials.
- March Advised by BADC that Amman and Whitney (A & W) selected as consultant.
- ERD signed Implementation Letter #3.
- P. C. circulated BADC PP to concerned ministries.
- A & W submitted to BADC draft material concerning contract.

April BADC PP still "hung up" at P. C.

P. C. authorizes BADC to place order for pipe and arrange with TCB/Controller Coal to import pig iron and coal, and to recruit/post BADC headquarter project staff.

USAID advised that 259.52 lakh (F.C. Tk. 187.05) was provided in revised ADP.

Provision for 1977-78 to be (lakh)

187.1 from loan source
72.4 from BDG support
259.5 total

220.5 for capital expenditures
39.0 for operations, etc.
259.5 total

BADC and A & W negotiating contract.

Majid advised USAID that BADC could proceed with project while PP still under consideration.

May BADC/A & W/USAID selecting sites for pump storage/distribution centers.

BADC did draft tender document for 65,000 pumpheads.

June Site work and soil sampling for distribution centers.

Mr. Pecht left on H. L.

USAID sent draft SPECS for raw materials to AID/W.

USAID advised Dr. Yusuf Zai on slow status project.

July Wheatcraft approved for foundry engineer.

USAID to Majid on status of BADC PP.

13th BADC/A & W contract signed.

National Tube received from BADC Tk. 34,92,000 advance payment on pipe.

- July cont.. AID/W requested to issue letter commitment behalf A & W.
USAID requested Mr. Cooke (A & W) be assigned temporarily for foundry tasks.
- July USAID advised Dr. Mahtab on slow project status.
- August Dr. Eusuf Zai, Member P. C., called evaluation meeting. PP and budget reviewed, USAID not present.
- August Another foundry engineer nominated.
Assignment Walter Brooks as Project Manager.
Tendering documents developed.
BADC Project Manager named.
- Sept. Robert Miller nominated by A & W as foundry engineer.
Pre-qualifying foundries.
A & W draft tender documents for procuring pipe.
Design of warehouses.
A & W new work schedule for SSIP.
- Oct. USAID advised BADC and ERD that SSIP II request to Congress for FY 1980 funding being deleted.
Mr. G. Pecht took over function of Project Manager. Brooks to be full time on fertilizer godowns.
P. C. (Dr. Eusuf Zai) called full meeting of 2 PIC on Oct. 19 to review project status.
Robert Miller, foundry engineer, arrives.
A & W submits specs for local produrement of pipe.

Nov. A & W submits specs on import of pig iron, coke and pipe.

A & W submits draft layout plans of each of godown distribution sites.

A & W submits tendering papers for local procurement brass strainers.

USAID advised Dr. Eusuf Zai and BADC on requesting advance of loan funds.

BADC issued tender notice for purchasing 10,000 pump heads.

EMH

Emory M. Howard
Agriculture Division
November 17, 1978