

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT PAPER FACESHEET
 TO BE COMPLETED BY ORIGINATING OFFICE

1. TRANSACTION CODE (CHECK APPROPRIATE BOX)
 ORIGINAL CHANGE
 ADD DELETE

PP
 DOCUMENT CODE 3 4p

2. COUNTRY/REGIONAL ENTITY/GRANTEE
 Technical Assistance Bureau

3. DOCUMENT REVISION NUMBER
 2

4. PROJECT NUMBER
 931-11-720-986

5. BUREAU
 A. SYMBOL TAB B. CODE 6

6. ESTIMATED FY OF PROJECT COMPLETION
 FY 7 | 8 |

7. PROJECT TITLE - SHORTY (STAY WITHIN BRACKETS)
 [Local Action Guidance/Implementation]

8. ESTIMATED FY OF AUTHORIZATION/OBLIGATION
 A. INITIAL [8 | 73] B. FINAL FY [7 | 6]

9. SECONDARY TECHNICAL CODES (MAXIMUM SIX CODES OF THREE POSITIONS EACH)

10. ESTIMATED TOTAL COST (\$000 OR EQUIVALENT, \$1M = _____)

A. PROGRAM FINANCING	OPERATIONAL FY NEXT YEAR			ALL YEARS		
	B. FX	C. L/C	D. TOTAL	E. FX	F. L/C	G. TOTAL
AID APPROPRIATED TOTAL	264		264	925		925
(GRANT)	(264)	()	(264)	(925)	()	(925)
(LOAN)	()	()	()	()	()	()
OTHER 1.						
U.S. 2.						
HOST GOVERNMENT						
OTHER DONOR(S)						
TOTALS	264		264	925		925

11. ESTIMATED COSTS/AID APPROPRIATED FUNDS (\$000)

A. APPROPRIATION ALPHA CODE	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE	FY 75		FY 76		FY 77		ALL YEARS	
			D. GRANT	E. LOAN	F. GRANT	G. LOAN	H. GRANT	I. LOAN	J. GRANT	K. LOAN
FN			661		264					925
TOTALS			661		264					

12. ESTIMATED EXPENDITURES

13. PROJECT PURPOSE(S) (STAY WITHIN BRACKETS) CHECK IF DIFFERENT FROM PID/PRP

[To identify and field test various factors felt to be important in increasing the beneficial involvement of local populations in development programs and to distill the results into general program guidance.]

WERE CHANGES MADE IN THE PID/PRP FACESHEET DATA NOT INCLUDED ABOVE? IF YES, ATTACH CHANGED PID AND/OR PRP FACESHEET.
 Yes No

15. ORIGINATING OFFICE CLEARANCE

SIGNATURE: *Jerome T. [Signature]*

TITLE: Acting Director, Office of Development Administration TAB

DATE SIGNED: MO. 05 DAY 11 YR. 76

16. DATE RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MO. DAY YR.

KPA 6

a. Drafter: F. Thomas Chapman TA/DA E.L.C. Date 5/12/17

b. N/A

c. TA/PPU:H.Vaitaitis [Signature] Date 5/13/16
TA/PPU:M.Mozynski [Signature] Date 5/14
TA/PPU:J.Gunning [Signature] Date 5/14
AAA/TA:S Butterfield [Signature] Date 5/17

d. Scope of Work represents continuation of activities approved under existing PROP, and includes AID/W recommended re-analysis of data and methodology.
Clearances are not required.

e. N/A

ACTION

MEMO TO: AA/TA, Mr. Curtis Farrar

May 11, 1976

THRU: TA/PPU, Mr. John Gunning

FROM: TA/DA, Jerome French

SUBJ: Continuation of Work by Development Alternatives, Inc. {DAI} under the Local Action Project

The major component of our Local Action Project is Contract No. AID/cm/ta-C-73-41 with Development Alternatives, Inc. {DAI} which funded their 36-project analysis {Strategies for Small Farmer Development: An Empirical Study of Rural Development Projects}. The current scope of work requires DAI to make test applications of the findings of its previous analysis in new AID field projects. When this phase of the work was initiated in May 1975, we could not accurately predict the amount of funding required due to the experimental nature of the work, the need to connect it directly to new LDC projects and the uncertainties of when Missions would be able to pick up the funding of the DAI support being provided. We, therefore, funded the first year of work from FY 75 funds and make provision for follow-on funding in our FY 76 Program.

Circumstances encountered as the work has proceeded which have led to additional time and money requirements are the following:

1. The time involved in locating new field projects suitable for introducing the DAI findings and delays occasioned by the need to accommodate the work to host government and mission project development schedules.
2. Most of the projects in which the DAI findings have been introduced will not receive direct AID funding assistance until FY 1977. Continuation of DAI support under our contract until these funds become available is highly desirable.
3. The existing data base to support project design in most countries was insufficient, necessitating far more pre-design data collection work than anticipated.
4. DAI support in project design has had to be complemented in most cases by assistance in information systems development. This has increased both the tasks and the time required of DAI design teams.
5. Because of the thinness of Mission staffs, field support in project design has included extensive work on preparations of AID project documentation as well.

b. The amount of consultation required with host government and Mission officials to keep project development on track and moving ahead has been greater than anticipated.

Identifying and finding ways of overcoming these problems is itself a valuable part of our local action R&D experience.

Besides the delays encountered in implementing the current field support phase of the project, preliminary evaluation of the Strategies report has resulted in questions raised by AID economists. These questions concern the statistical techniques employed by DAI in the quantitative analysis upon which conclusions of the report are partially based.

The report has received wide interest and forms a basis of two new AID research projects. However, it is subject to varying interpretation, and differing viewpoints can continue indefinitely on whether the statistical methodologies employed by DAI are appropriate in kind and use.

In order to address the specific questions raised by the AID economists, and with their agreement, TA/DA proposes to incorporate in the contract scope of work the services of a quantitative expert consultant who will evaluate the methodology employed and results obtained in greater detail than has hitherto been possible. On the basis of this work, we hope an Agency position on the Strategies report can be established and transmitted to the field by airgram as a follow on to its initial dissemination.

FY 1976 programmed funds for continuation of the DAI contract total \$179,400. This cost includes the new analysis, continuation of field application of the contract findings and overhead costs. The total amount of the Local Action Project will be increased thereby nearly 25% to \$924,900, which is exclusive of the \$250,000 included in the FY 77 program for further field testing.

If you approve the above increase in the project funding, our current contract with DAI, which terminates January 8, 1977, will be extended to August 15, 1977.

The alternative would be to continue the work until current contract funds are depleted. This would result in having to discontinue our support prior to the time the field projects are approved for Mission funding and further technical assistance, if needed, is provided from field project funds. This would jeopardize both the field projects being developed and testing.

of the Local Action Project findings and reduce our ability to learn valuable lessons from the field applications experience and to turn the tested findings into AID policy guidance for improved project design and implementation. It would also adversely affect our relations with the USAIDs and host country authorities with whom we are working.

Recommendation: That you approve the attached facesheet amending the Project total and the accompanying PI0/T providing funds for amendment of the existing contract with DAI.

Approved: Ind Belcher Date May 17 '76
JOC Farnon

Disapprove: _____ Date _____

Clearance:
TA/RD: Towens {draft}

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