

12/31/69

AID 1020-25 (7-68)	SECURITY CLASSIFICATION	001 PROJECT NUMBER
PROJECT APPRAISAL REPORT (PAK) (U-446) See M.O. 1026.1	UNCLASSIFIED	386-15-260-384

002 PAR	MO.	DAY	YR.	003 U.S. OBLIGATION SPAN	004 PROJECT TITLE
AS OF:	1	23	16	FY 68 Thru FY 71	3860384 (13) PD-AAA-013-21 EXPORT PROMOTION
008 COOPERATING COUNTRY - REGION - AID/W OFFICE					
INDIA - NESAs					

AID DOLLAR FINANCING OBLIGATIONS (\$000)	TOTAL	CONTRACT (NON-ADD)	PERSONNEL SERVICES			PARTICIPANTS		COMMODITIES		OTHER COSTS	
			AID	PASA	CONTRACT	DIR. PASA	CONTRACT	DIR. PARA	CONTRACT	DIR. PASA	CONTRACT
CUMULATIVE NET THRU ACTUAL YEAR (FY 19 69)	431	320	54	-	214	57	-	-	-	-	106
PROPOSED OPERATIONAL YEAR (FY 19 70)	298	160	65	-	150	72	-	-	-	1	10

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 2. LOCAL CONTRACTOR 3. THIRD COUNTRY CONTRACTOR 4. PARTICIPATING AGENCY 5. VOLUNTARY AGENCY 6. OTHER:	0. PARTICIPATING AGENCY 1. UNIVERSITY 2. NON-PROFIT INSTITUTION 3. ARCHITECTURAL & ENGINEERING 4. CONSTRUCTION 5. OTHER COMMERCIAL 6. INDIVIDUAL 7. OTHER:	1. See Block 079-b	1	-	See Block 079-b	
		2. " "	2	-	" "	
		3.				

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):

1. RECENT HISTORY OF THE PROJECT

Although the period of time covered by this PAR ended on December 31, 1969, certain events of the past few months are included since they are crucial to an understanding of what has been the cumulative result of past actions and what new dimension the project is likely to take in the near future.

MISSION DIRECTOR APPROVAL →	SIGNATURE	DATE
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008 Narrative for Part 1-A (Contd.)

The narrative presented in the PAR dated February 12, 1969 dealing with the main historical events of the Export Promotion project is still relevant. The project has indeed operated with considerable freedom in the area of India's trade policy deliberations - a subject closely held by most nations against outside influence. We have been allowed, and even encouraged, to provide factual data along with some innovative ideas to local trade officials.

During the past year we have continued to provide export commodity and market information to Indian government officials and businessmen. This has been effected through a program of entrusting to leading Indian research organizations the task of preparing comprehensive studies on export commodities such as jute, machine tools, leather and marine products. We have continued to augment the staffs of the local research group with American specialists who have been able to impart to the studies a pragmatic view of foreign market conditions as seen by experienced foreign representatives.

Surveys of functionally oriented subjects which have been prepared in the past year include: transport system for export cargo, simplification of procedures and documentation for such cargo, export marketing and the forms of incentive which can best be used to improve the export performance of major industrial firms. Recently, a comprehensive review was completed of India's trade prospects with 25 countries in the Indian Ocean Basin. The report set forth a strategy designed to achieve a doubling of Indian exports to countries in this region within the next five years.

As a means of further promoting opportunities highlighted in these studies, we will soon send abroad selected Indian businessmen to visit foreign markets; later we expect to bring foreign buyers to India to see first hand the surprisingly varied line of products which are available. As of this writing, 30 Indians have been nominated as participants in the initial market orientation tour program, and we are now arranging itineraries for about 15 persons who will depart within the next three months.

2. OVERALL PERFORMANCE AND EFFECTIVENESS OF PROJECT IMPLEMENTATION IN ACHIEVING STATED PROJECT TARGETS

The project has clearly established its credibility and utility in the minds of many trade officials. But it must be conceded that only during the past six months or so have government officials taken demonstrable steps to review many of the wide range of issues raised in various surveys and to take steps to implement some of the programs recommended. The first tangible evidence of this improved receptivity was during the presentation to the Government of the survey of export documentation and procedures. At that presentation, the Secretary of

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008 Narrative for Part 1-A (Contd.)

the Ministry of Foreign Trade interrupted the proceeding to say that he was impressed with the usefulness of the recommendations being made and, on the spot he induced several leading officials to commit themselves to carry out a coordinated program of reform of procedures by a deadline date by April 1, 1970. (In this instance, the study team will not need to write and publish the usual voluminous report of what has been simply recommended. Instead, the members of this particular survey group are now actively assisting Government agencies to carry out many of the changes recommended. Eventually the study team will help publicize the new, simplified procedures that have been adopted.) Since that initial breakthrough, two other studies have been presented to the Government, and in each case the Secretary has asked to have the gist of the research findings presented in the form of an action-strategy which can be considered in detail by specific officials or by an inter-ministerial group with implementation to be made by a specified time.

Furthermore, the Ministry of Foreign Trade has again reviewed the findings of the first three surveys completed under this program (that is, Spices, Fruits and Vegetables, and Oilcakes), and has asked the responsible commodity officers to determine, (a) what has been done (or not done) to implement the findings which are thought relevant and, (b) what strategy should be evolved to pursue the subject further.

Recently, GOI officials have stated in the course of some formal conversations that the research survey techniques devised by the USAID Export Promotion Division have been accepted by principle and that these concepts will be incorporated within a new semi-autonomous unit which is to be soon created by the Ministry of Foreign Trade. The functions of this new unit are not precisely defined but it is likely to be a near replica of the AID Export Promotion Division. Initial plans are to have the unit responsible for: a) undertaking new foreign trade studies; b) guiding the work of research groups to whom contracts are given; c) revising existing studies to keep them up-to-date; d) collecting and disseminating general trade information; and e) assisting other programs required to serve appropriate interests of the Ministry of Foreign Trade and other trade organizations. In any case, the Mission has expressly agreed to transfer to the Institute of Foreign Trade within the next nine to twelve months all research responsibilities of this Division. We have already begun to transfer to the Institute the work of preparing our monthly reports on export policies, trends, and statistics.

3. CONTRIBUTION TO ACHIEVEMENT OF SECTOR AND PLAN GOALS

It may be fairly stated that a principal aim of this program was to induce the Government of India to give a higher priority to its own export program. Predictably, it is difficult to quantify the progress made toward such a general goal. One can clip newspaper copy citing AID's wide range of export promotion activities or cite a few compliments dropped by GOI officials at cocktail parties. But even an

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008 Narrative for Part I-A (Contd.)

attempt to compile such examples of success stories relating to AID influence on export procedures or policies would be difficult and perhaps unfair unless it could be divined as to how good (or bad) things would have been in the absence of any prompting from AID personnel. Nevertheless, the program has joined, and occasionally even led, a chorus of voices which have urged both the Indian Government and trade representatives to have a greater awareness of the importance of foreign trade to the Indian economy. Fortunately, there is a big glimmer of light in this tunnel in the form of a proposal made recently by the Secretary of the Ministry of Foreign Trade to the MINAID, New Delhi. At a meeting on March 6, called to review the effectiveness of this project, the Ministry official stated that he proposed to establish a new monolithic entity to be called the 'Trade Development Authority/Agency' which would help assert the importance of trade matters within the Indian governmental structure. The exact functions of the new entity are still uncertain but the Secretary emphasized that it would be primarily designed to support small and medium size export firms. Its functions would inter alia be to: a) compile and disseminate trade data; b) improve 'contacts' with foreign markets; c) represent the interests of private exporters in overcoming procedural difficulties (i.e., serve as a friend in court); and d) generally coordinate the work of other local organizations engaged in the field of export promotion. This new 'Trade Authority' would eventually also adopt in toto the work of the research and analysis work now being performed by this Division. When this is done the past and present work experience of the Export Promotion Division should leave an indelible mark on the character of the new entity now being created.

Initially, the utility of this program and initial signs of success in inducing the GOI to step up its export promotion programs have been generally recognized by other aid donors. For example, the GATT/UNCTAD International Trade Center in Geneva has recently agreed to help finance the cost of having market orientation tours in Europe for Indian officials when such participants are scheduled for similar training in the U. S. A. under our own program.

In another case, an official of the Swiss Government in New Delhi has informally promised to support the activities of the proposed Trade Development Authority with a grant of approximately \$50,000 as long as the U. S. Government endorses the viability of the new entity and offers financial support to it. Thus, in these examples, the endorsement and support of the Export Promotion Division to selected GOI programs has encouraged other agencies to offer additional assistance to them.

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008 Narrative for Part 1-A (Contd.)

4. RESULTS COMPARED TO COSTS

The revised cost of the export promotion program for this current year of FY 1970 is estimated to be \$751,000, of which 60.3% are trust fund rupees. The total cost of the operation since its inception thru FY 1970 has been \$2,173,000 of which 66.5% have been rupees. As noted above, the Division has already begun to turn over some of its functions to a local institution, and our budget for the next year, FY 1971, should not exceed \$781,000 of which 69.5% will be rupees. As of this writing, the sponsors have no regret about the costs incurred when related to the enormity of the job which was taken on, the difficulty of engaging first-line research talent to be involved in a new untried program and the length of time it took to convince xenophobic local officials to accept the utility of the program. Inevitably, some foreign consultants and some contractors were not able to perform the objectives anticipated, either because of faulty judgment on our part or because events passed us by. Overall, however, if we can claim even a microscopic influence on Indian trade performance (which show additional export earnings of about \$80 million in 1969/70 over last year's figures, and perhaps \$100 million worth of additional earnings in each of the next few years) then the cost/benefit ratio of the project will not have been burdensome.

5. CONTINUED RELEVANCE OF THE PROJECT TO COUNTRY DEVELOPMENT AND FURTHERANCE OF U.S. OBJECTIVES

Since the GOI has asked to take over most of the basic problem-probing and research functions of the Export Promotion Division, it is recommended that project as now constituted be reviewed in early 1971 to determine what scope and form it should assume after that time.

The Ministry of Foreign Trade has specifically asked that further discussions be held to determine how AID can continue to assist the GOI to set new goals and in general maintain a "pressure point" of new ideas in trade promotion. The Secretary of the Ministry recently stated that to the extent the theory of competition has validity, it is better to have a number of minds to do a job. "Do not," he said, "give the GOI a monopoly on the matter of trade promotion." He later added that the one major aspect of the project which could not be readily transferred is that of innovating, catalyzing, and throwing up new ideas based on knowledge and experience not yet readily available in India.

For a more complete prognosis of the question of "where do we go from here", see memo of conversation dated March 6, 1970, a Confidential memo from CD/XP to MINAID, dated March 8, 1970, and an LOU memo from MINAID to the Ambassador dated March 12, 1970, copies of which are being transmitted as TOAID A-420.

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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)				6. PROJECTED TOTAL FOR PROJECT LIFE
		3. ACTUAL CUM. TO DATE	4. AS OF PRIOR JUNE 30		5. PLANNED BY NEXT JUNE 30	
			a. PLANNED	b. ACTUAL		
	<p>For status of these output targets, see attached "Status of Activities" dated December 31, 1969 (5 copies attached).</p> <p>a) A radical improvement in the collection and publication of export data and statistics.</p> <p>b) An improvement in the flow of market information to the export community.</p> <p>c) An increase in the flexibility permitted to the exporters, both with respect to the acquisition of raw materials and components at world market prices and with respect to the procedures to which he must adhere in order to export (export liberalization including the adoption of some form of currency retention scheme.)</p> <p>d) A qualitative improvement in the functions of semi-governmental and private organizations and associates which serve the export community, such as the Indian Institute of Foreign Trade, export promotion councils and the various trade associations.</p> <p>e) The development of a strategy to facilitate regional trade between India and her neighboring countries to capitalize on existing Indian industrial base to supply materials needed by other developing nations in their development programs.</p> <p>f) The establishment of a suitable export credit institution to provide the many financial services now lacking for the export community.</p> <p>g) The improvement of trading companies, separate from production units, which would specialize in large-scale international trade movements, thereby achieving greater efficiencies and economies of scale.</p>					

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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) Help India to increase export earnings from 1964 level of \$1.7 billion to at least \$2.4 billion by 1971/72.	2	2
	(2)		
	(3)		
	(4)		

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 I):

See Block 014

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?	NO
014 Have means, conditions or activities other than project measures had a substantial effect on project output or accomplishments?	YES
015 Have any problems arisen as the result of advice or action or major contributions to the project by another donor?	NO
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?	NO
017 Have any important lessons, positive or negative, emerged which might have broad applicability?	YES
018 Has this project revealed any requirement for research or new technical aids on which AID/W should take the initiative?	NO
019 Do any aspects of the project lend themselves to publicity in newspapers, magazines, television or films in the United States?	NO
020 Has there been a lack of effective cooperating country media coverage? (Make sure AID/W has copies of existing coverage.)	NO

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):

- 014 - The declining level of aid for India during the past two years has had a profound effect on the GOI's interest in promotion of exports and has therefore also increased its interest in this project.
- 017 - Maximum utilization of such indigenous research resources as are available, including local hire technical and consulting personnel, increases the acceptability of the product to the host government. Additionally, it is much cheaper and results in an improvement of the research capabilities of the existing institutions.

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
1.	<p>Refer to Status of Activities report, dated December 31, 1969.</p> <p><u>Commodity Surveys:</u></p> <p>a) Six commodity studies are to be in actual progress by the end of FY 1970. The time schedule for some of the studies has been delayed by 4 to 6 months. This is not serious.</p>	X		
2.	<p><u>Functional Surveys:</u></p> <p>One FY 1970 functional study of a linear program for investment priorities in export oriented industries has been agreed on with the GOI. The contract negotiation is now in progress.</p>		X	
3.	<p><u>Indian Export Statistics:</u></p> <p>The computerization program is two years behind schedule because of sensitivity of trade unions to introduction of any labor saving programs. The delay is serious, but all efforts to remedy the situation have failed.</p>	X		
4.	<p><u>Training: Market Tours</u></p> <p>The Market Tour training program is about nine months behind schedule. This is not serious. The first group of participants is expected to leave for Europe and the USA by June/July 1970.</p>	X		
5.	<p><u>Establishment of Economic News Service</u></p> <p>For two years the Division urged GOI and trade officials to improve the flow of current trade information by establishing an economic news service having a tie-up with an international group like Dunx Dow-Jones or Reuters. As a means of more precisely defining the scope of such a project and its cost, the Division had a special study prepared on the subject. The report was recently completed and now is being reviewed by prospective participants.</p>			

PART II - Continued

023

II-A.2 - OVERALL TIMELINESS

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

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.

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

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): See Block 079-b	X

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	
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	
049 Collaboration by participants' supervisors in planning training	P	060 Mission or contractor follow-up activity	P
050 Participants' availability for training	P	061 Other (describe):	
051 Other (describe):			

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 1020-251 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.

Attached.

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The Indian contractors who are performing the survey work have found that they required two to three months longer than was originally anticipated in order to complete their studies in accordance with the Mission's requirements. This latter delay is not considered a major deterrent to project plans.

a) Overall Implementation Performance:

Since inception of the project, no problems have arisen in the areas of U.S. resource inputs. The main cause of delay in the proposed computerization of trade data program has been the opposition of trade unions to the proposal.

b) Implementing Agency:

Implementing agencies for this project are local contractors. In general performance has been satisfactory, though some delays have been experienced. The project also includes up to 24 U.S. consultants who participate in the various surveys and studies. No difficulties have been experienced thus far in recruitment and assignment.

c) Participants:

Two participants have received training -- and returned on schedule. No problems have been experienced in this area thus far. Fifteen additional participants are scheduled to depart for Europe and USA by June/July 1970.

d) Commodities:

Not applicable to this project.

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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 block 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.	P
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.	
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.	N
087 Resolution of procedural and bureaucratic problems.	P
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.	P
092 Political conditions specific to project.	N
093 Capacity to transform ideas into actions, i.e., ability to implement project plans.	P
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.	
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:	
100 Level of technical education and/or technical experience.	P
100 Planning and management skills.	N
101 Amount of technician man years available.	N
102 Continuity of staff.	P
103 Willingness to work in rural areas.	
104 Pay and allowances.	
105 Other:	

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.

105 NARRATIVE FOR PART III (Continue on form AID 1020-25 I);

The interest and cooperation of GOI with respect to this project have significantly increased over the past year, as stated in Block 008-1. This and other subjects requiring comments under this paragraph are covered in the narrative in Section 008.

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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.

085 & 092 - A major difficulty in promoting Indian exports is the inability of the government to take decisive action with respect to policies affecting exports. This technical assistance project is affected by this problem. In recent months, however, we have discerned a significant awareness on India's export program. One firm indication of this conviction has been the introduction of a plan of "liberalization" for investments in export-oriented industries and "liberalization" of import authorizations for products needed in the export trade.

086, 100 & 101 - International trade requires an efficient and complex organization to have the government formulate timely policies on the basis of changing market conditions and to have industry take expeditious advantage of supply opportunities when they occur. India does not have adequate trained staff nor does it have a sufficiently sophisticated organizational infrastructure to permit it to be as competitive as it should be in international trade. It is on these problems that the project is offering assistance.

Unclassified

386-15-260-384

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):

No change in project is contemplated until mid-1971. At that time, a thorough reappraisal of GCI interests and needs in the field of trade promotion should be made to determine what new work may be justified.

Meanwhile, as a means of developing a suitable institution to takeover upon US withdrawal, we expect to engage a long-term consultant assist in the establishment of the Export Development Authority being created by the GOI.

IV-B - PROPOSED ACTION

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

1. Continued as presently scheduled XXXXXXXX	X
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.	

109 NARRATIVE FOR PART IV-B:

The project should be continued as presently constituted through FY 1971. The scale of operations has dropped somewhat in FY 1970. However, it will be important for one full-time officer to continue to manage the project until its completion. In the FY 1971 Program Memorandum the Mission will recommend what additional activities, if any, merit U.S. assistance.

Unclassified