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Grant AID/1a-G-1148  
Regional

PD AAF-104

12p

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*Not assigned*

Attachment A - Program Description

Article I - Program Purpose

The purpose of this grant is to overcome the constraints to agricultural development in Latin America.

Article II - Program Description

IGAD/LAC will identify major constraints to increasing agricultural production, promoting rural development, and improving nutrition in Latin America, and find ways to combine recipient and donor resources to overcome these constraints. The Group will seek to promote and coordinate a greater flow of donors' technical and financial resources for food production and rural development. Initially, the Group will emphasize activities 1) to overcome the lack of trained manpower for project development and implementation, 2) to improve the linkages from international research centers through national centers and extension services to the farmers, and 3) to reduce post-harvest losses. IGAD/LAC will complement the Consultative Group on Food Production and Investment (CGFPI) which will focus primarily on other regions.

The following are illustrative of the kinds of activities which may be undertaken by IGAD/LAC:

Training - Identification of training deficiencies, development of programs to alleviate these deficiencies. Surveys would be carried out and ameliorative investment proposals developed which would be presented to IGAD/LAC participating agencies for financing.

Research - Similar to training, above.

Post-Harvest Losses - IGAD/LAC would prior to project design, by both donor and possible recipient governments, relating to the many areas of crop wastage. IGAD/LAC would review the projects and then help in coordination and brokerage activities. These would determine donor agency intentions, capabilities, constraints, and establish commitments.

Article III - Period of Grant

The period of this grant shall be from the date of the Grant Officer's signature on it through 12/31/76.

Article IV - Accounting and Appropriation Data

PIO/T 598-575-1-6567098

Project 598-11-190-575

Allotment 402-65-598-00-69-61

Appropriation 72-11X1023

Article V - Reports

No later than January 31, 1977 the Grantee shall submit a report to LA/MRSD confirming that the costs claimed under this grant have been expended in conformity with the grant. This report will list the activities carried out under Budget Categories II and III and describe them adequately to demonstrate that (A) the costs claimed do not exceed 43.75% of the total costs in these categories for the calendar year 1977, and (B) the costs claimed meet the other criteria established in Article VI below.

Article VI - Use of Funds

The funds expended under this grant shall not exceed the \$56,000 obligated under it. Also all expenditures under this grant must occur during the period of the grant. Subject to these qualifications, this grant shall provide up to 43.75% of the costs of the International Group for Agricultural Development in Latin America (IGAD/LAC) in the areas of short term consultants, conferences and meetings addressing specific problem areas (not to include general IGAD/LAC secretariat costs) as contained in category II Short-term Consultants and in category III Conferences and Meetings of the IB Document AT-322 of January 8, 1976. The funds made available hereunder are in addition to the costs of furnishing a short-term consultant (approximately \$8,000) previously made available by AID to IGAD/LAC during this fiscal year.

**Attachment B**  
**Standard Provisions**

The standard provisions applicable to this grant are as follows:

- a. Allowable Costs and Payment (10/74)
- b. Accounting Records and Audit (10/74)
- c. Refunds (10/74)
- d. Equal Opportunity Employment (10/74)
- e. Termination (10/74)
- f. Officials Not to Benefit (10/74)
- g. Covenant Against Contingent Fee (10/74)
- h. Nonliability (10/74)
- i. Amendment (10/74)
- j. Grant Agreement (10/74)
- k. Notices (10/74)
- l. Travel and Transportation (6/76)
- m. Publications (10/74)
- n. Procurement of Equipment, Vehicles, Supplies, Materials,  
and Services (10/74)
- o. Title to and Care of Property (Grantee) (10/74)
- p. Disputes (6/76)
- q. Salaries (10/74)
- r. Subordinate Agreements (10/74)

## STANDARD PROVISIONS

### a. Allowable Costs and Payment (Oct. 1974)

The Grantee shall be reimbursed for costs incurred in carrying out the purposes of this Grant which are determined by the Grant Officer to be allowable in accordance with the terms of this Grant and Subpart 15.2 of the Federal Procurement Regulations (FPR) (Principles and Procedures for use in Cost Reimbursement Type Supply and Research Contracts with Commercial Organizations)\* in effect on the date of this Grant. Payment of allowable costs shall be in accordance with Attachment C of this Grant.

[\*If this Grant is made to a university, the applicable cost principles are "Federal Management Circular, 73-8 (Cost Principles for Educational Institutions)" instead of Subpart 15.2 of the FPR as cited above]

### b. Accounting, Records, and Audit (Oct. 1974)

The Grantee shall maintain books, records, documents, and other evidence in accordance with the Grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The Grantee agrees to have an independent audit of this program made and to make available information requested by AID with respect to questions resulting from such audit report.

### c. Refunds (Oct. 1974)

(1) If use of the Grant funds results in accrual of interest to the Grantee or to any other person to whom Grantee makes such funds available in carrying out the purposes of this Grant, Grantee shall refund to AID an amount equivalent to the amount of interest accrued.

(2) Funds obligated hereunder but not disbursed to the Grantee at the time the grant expires or is terminated, shall revert to AID, except for funds encumbered by the Grantee by a legally binding transaction applicable to this Grant. Any funds disbursed to but not expended by the Grantee at the time of expiration or termination of the Grant shall be refunded to AID.

(3) If, at any time during the life of the Grant, it is determined by AID that funds provided under the Grant have been expended for purposes not in accordance with the terms of the Grant, the Grantee shall refund such amounts to AID.

d. Equal Opportunity Employment (Oct. 1974) (Not applicable)

e. Termination (Oct. 1974)

This Grant may be terminated at any time, in whole or in part, by the Grant Officer upon written notice to the Grantee, whenever for any reason he shall determine that such termination is in the best interest of the Government. Upon receipt of and in accordance with such notice, the Grantee shall forthwith take immediate action to minimize all expenditures and obligations financed by this Grant, and shall cancel such unliquidated obligations whenever possible. Except as provided below, no further reimbursement shall be made after the effective date of termination, and the Grantee shall within thirty (30) calendar days after the effective date of such termination repay to the Grantor all unexpended portions of funds theretofore paid by the Grantor to the Grantee which are not otherwise obligated by a legally binding transaction applicable to this Grant. Should the funds paid by the Grantor to the Grantee prior to the effective date of this termination of this Grant, be insufficient to cover the Grantee's obligations pursuant to the aforementioned legally binding transaction, the Grantee may submit to the Grantor within (30) calendar days after the effective date of such termination a written claim covering such obligations, and, subject to the limitations contained in the Grant, the Grant Officer shall determine the amount or amounts to be paid by the Grantor to the Grantee under such claim.

f. Officials Not to Benefit (Oct. 1974) (Not applicable)

g. Covenant Against Contingent Fee (Oct. 1974) (Not applicable)

h. Nonliability (Oct. 1974)

AID does not assume liability with respect to any claims for damages arising out of work supported by its grants.

i. Amendment (Oct. 1974)

The Grant Agreement may be amended by formal modifications to the basic grant document or by means of an exchange of letters between the AID Grant Officer and an appropriate official of the Grantee.

j. Grant Agreement (Oct. 1974)

The letter to the Grantee signed by the Grant Officer, the Program Description and the Standard Provisions which have been reviewed and agreed to by the Grantee, constitute the Grant Agreement.

k. Notices (Oct. 1974)

Any notice given by any of the parties hereunder, shall be sufficient only if in writing and delivered in person or sent by telegraph, cable, registered or regular mail as follows:

To the cognizant AID Grant Officer

To Grantee - At Grantee's address shown in this Grant, or to such other address as either party shall designate by notice given as herein required. Notices hereunder, shall be effective when delivered in accordance with this clause or on the effective date of the notice, whichever is later.

1. Travel and Transportation (June 1976)

(1) Travel to certain countries shall, at AID's option, be funded from U.S.-owned local currency. When AID intends to exercise this option, it will so notify the Grantee after receipt of advice of intent to travel required above. AID will issue a Government Transportation Request (GTR) which the Grantee may exchange for tickets, or AID will issue the tickets directly. Use of such U.S.-owned currencies will constitute a dollar charge to this grant.

(2) The Grantee agrees to travel by the most direct and expeditious route, and to use less than first class transportation unless such use will result in unreasonable delay or increased costs.

(a) All international air travel under this Grant shall be made on United States flag carriers. Exceptions to this rule will be allowed in the following situations provided that the Grantee certifies to the facts in the voucher or other documents retained as part of his Grant records to support his claim for reimbursement and for post audit:

1. Where a flight by a United States carrier is scheduled but does not have accommodations available when reservations are sought;

2. Where the departure time, routing, or other features of a United States carrier would interfere with or prevent the satisfactory performance of official business;

3. Where a scheduled flight by a United States carrier is delayed because of weather, mechanical, or other conditions to such an extent that use of a non-United States carrier is in the Government's interest;

### Travel and Transportation

4. Where the appropriate class of accommodations is available on both United States and non-United States carriers, but the use of the United States carrier will result in higher total United States dollar cost to the grant due to additional per diem or other expenses; and

5. Where the appropriate class of accommodations is available only on a non-United States carrier and the cost of transportation and related per diem on the non-U.S. carrier is less than the cost of available accommodations of another class on a United States carrier and related per diem.

(b) All international air shipments under this grant shall be made on United States flag carriers unless shipment would, in the judgment of the Grantee, be delayed an unreasonable time awaiting a United States carrier either at point of origin or transshipment, provided that the Grantee certifies to the facts in the vouchers or other documents retained as part of the Grant records to support his claim for reimbursement and for post audit.

(c) Travel allowances shall be reimbursed in accordance with the Federal Travel Regulations (FTR).

#### m. Publications (Oct. 1974)

(1) If it is the Grantee's intention to identify AID's contribution to any publication resulting from this Grant, the Grantee shall consult with AID on the nature of the acknowledgement prior to publication.

(2) The Grantee shall provide the Project Manager with one copy of all published works developed under the Grant. The Grantee shall provide the Project Manager with lists of other written work produced under the Grant.

(3) In the event grant funds are used to underwrite the cost of publishing, in lieu of the publisher assuming this cost as is the normal practice, any profits or royalties up to the amount of such cost shall be credited to the Grant.

(4) The Grantee is permitted to secure copyright to any publication produced or composed under the Grant. Provided, the Grantee agrees to and does hereby grant to the Government a royalty-free, non-exclusive and irrevocable license throughout the world to use, duplicate, disclose, or dispose of such publications in any manner and for any purpose and to permit others to do so.

n. Procurement of Equipment, Vehicles, Supplies, Materials, and Services (Oct. 1974)

(1) Except as may be specifically approved or directed in advance by the Grant Officer, or as provided in paragraphs (2), (3), and (4) below, all equipment, vehicles, materials, supplies and services the costs of which are to be attributed to this Grant and which will be financed with United States dollars shall be purchased in and shipped from the United States. In addition, for any U.S. purchase transaction in excess of \$2,500 the Grantee shall notify the seller that the item(s) must be of U.S. source and production and comply with the componentry limitations and other requirements applicable to suppliers under AID Regulation 1, and that the supplier must execute and furnish Form AID-282 "Suppliers Certificate and Agreement with the Agency for International Development".

(2) Exceptions to the foregoing are as follows (for Title X Grants only):

Grantee may permit a subgrantee (or the Grantee on his behalf) to procure commodities already in its country (with the exception of contraceptives, drug products, pharmaceuticals, and motor vehicles) in an amount not exceeding a total cost of \$5,000 per subgrantee per annum without regard to limitations, rules and procedures applicable to commodity transactions financed by AID. Such commodities shall not be considered "already in its country" within the meaning of the aforementioned exception if the commodities have been imported or otherwise brought into the country at the request of the Grantee or subgrantee. A subgrantee's own country for this purpose shall in no event include any of the following: Australia, Austria, Belgium, Canada, Denmark, France, Germany, Spain, Italy, Japan, Luxembourg, Mexico, Netherlands, New Zealand, Norway, South Africa, Sweden, Switzerland, and United Kingdom. The Grantee shall take all reasonable precautions to ensure that the subgrantee does not procure any commodity which was as its country of origin any of the following: Cambodia, Burma, China, Cuba, and other Communist-occupied areas, including Manchuria, Inner Mongolia, the provinces of Tsinghai and Szechwan, Sinciang, Tibet, and former Kwantung Leased Territory, the present Port Arthur Naval Base Areas, and Liaoning Province, Cuba, German Democratic Republic, Hungary, North Korea, North Vietnam, Outer Mongolia, Poland, Romania, and the Union of Soviet Socialist Republics.

(3) Printed or audio visual teaching materials may, to the extent necessary, be purchased outside the United States when:

### Procurement of Equipment, Etc.

To permit AID, in accordance with the Small Business Provisions of the Mutual Security Act, to give United States Small Business firms an opportunity to participate in supplying commodities and services procured under this Grant, the Grantee, shall, to the maximum extent possible, provide the following information to the Office of Small Business, AID, Washington, D.C. 20523 at least 45 days prior to placing any order or contract in excess of Five Thousand (\$5,000) Dollars, except where a shorter time is requested of, and granted by the Office of Small Business:

- (a) Brief general description and quantity of commodities or services;
- (b) Closing date for receiving quotations or bids;
- (c) Address where invitations or specifications may be obtained.

(7) Funds provided under this Grant shall not be used to procure any commodity or commodity-related services furnished by any supplier whose name appears on the List of Ineligible Suppliers under AID Regulation 8, "Suppliers of Commodities and Commodity-Related Services Ineligible for AID Financing". Grantee agrees to review said list prior to undertaking any procurement the cost of which is to be attributed to this Grant. AID will provide Grantee with this list.

#### o. Title to and Use of Property (Grantee) (Oct. 1974)

Title to all property financed under this Grant shall vest in the Grantee, subject to the following conditions:

- (1) The Grantee shall not, under any Government contract or subcontract thereunder, or any Government grant, charge for any depreciation, amortization, or use of any property title to which remains in the Grantee under this clause.
- (2) The Grantee agrees to use and maintain the property for the purpose of the grant.
- (3) With respect to items having an acquisition cost of \$1,000 or more, title to which vests in the Grantee, the Grantee agrees:
  - (a) to report such items to the Grant Officer from time to time as they are acquired and to maintain a control system which will permit their ready identification and location.
  - (b) to transfer title to any such items to the Government in accordance with any written request therefor issued by the Grant Officer at any time prior to final payment under the Grant.

p. Disputes (6/76) (Not applicable)

q. Salaries (Oct. 1974)

All salaries, wages, fees, and stipends reimbursed under this Grant shall be in accordance with the Grantee's normal policy and practice.

r. Subordinate Agreements (Oct. 1974)

The placement of subordinate agreements (e.g., leases, options, etc.), grants, or contracts with other organizations, firms or institutions and the provisions of such subordinate agreements are subject to prior written consent of the Grant Officer if they will be funded hereunder. In no event shall any such subordinate agreement, grant, or contract be on a cost-plus-a-percentage-of-cost basis. Subordinate contractors (including suppliers) shall be selected on a competitive basis to the maximum practicable extent consistent with the obligations and requirements of this Grant.

PAYMENT PROVISIONS

Periodic Grant Disbursement

Quarterly, Grantee will submit to AID's Office of Financial Management, Voucher Form SF 1034 (original) and SF1034-A, three copies, each voucher identified by the appropriate grant number, in the amount of estimated cash needs for the following quarter. The voucher shall be supported by an original and two copies of a report rendered as follows:

Amount of Grant	\$ xxx
Expended this period	\$ xxx
Expended to date	\$ xxx
Advances to subgrantees (if any)	\$ xxx
Anticipated expenditures next month (dates)	\$ xxx
Cash received to date	\$ xxx
Cash required next quarter	\$ xxx

The report shall include a certification as follows:

"The undersigned hereby certifies: (1) that the above represents the best estimates of funds needed for expenditures to be incurred over the period described, (2) that appropriate refund or credit to the grant will be made in the event funds are not expended, (3) that appropriate refund will be made in the event of disallowance in accordance with the terms of this grant, and (4) that any interest accrued on the funds made available herein will be refunded to AID.

BY \_\_\_\_\_

TITLE \_\_\_\_\_

DATE \_\_\_\_\_



INTER-AMERICAN DEVELOPMENT BANK  
WASHINGTON, D. C. 20577

5980575 (5)

1. H.K.  
2. MR. Harman  
for review  
CABLE ADDRESS  
INTAMBANC  
C. L. Brown  
L100

PD-AAF-104

April 30, 1975

Mr. Herman Kleine  
Assistant Administrator for  
Latin America  
Agency for International Development  
320 21st St. N.W.  
Washington, D.C. 20523

10p

Dear Mr. Kleine:

On April 4, 1975, Mr. Antonio Ortiz Mena, President of the Inter-American Development Bank wrote the Administrator, Agency for International Development, in reference to previous discussions concerning follow-up measures of the World Food Conference, and specifically regarding the establishment of a Group for International Cooperation in Agricultural Development and Food Production in Latin America. By letter of April 23, 1975, the Administrator replied to Mr. Ortiz Mena assuring AID's fullest cooperation on this latter endeavor.

Following this correspondence between the Administrator and the President of IDB, and in accordance with the task I have undertaken at the invitation of Mr. Ortiz Mena, I am now sending you enclosed a first draft of an Information Note on the objectives, functions and composition of such a Group.

I prepared this first draft to facilitate consultations with the other interested Agencies to which Mr. Ortiz Mena wrote at the same time as he addressed your Administrator, and which were: the World Bank, UNDP, FAO, CAS, and ECLA. It would be my hope to consult with you, on behalf of AID and with the representatives of the other Agencies, so that the final paper may take their views fully into account. The final version of the Information Note would be circulated to other possible participants in the Group.

I look forward to hearing from you when you are ready to discuss this paper.

Sincerely yours,

Juan Felipe Yriart

Attachment: 1

4/30/75

GROUP FOR INTERNATIONAL COOPERATION IN AGRICULTURAL  
DEVELOPMENT AND FOOD PRODUCTION IN LATIN AMERICA

Information Note

I. INTRODUCTION

1. In recent years, the critical shortage of basic food in various parts of the world has focussed attention on the need for increased production of food crops to meet current and anticipated future deficits.
2. The World Food Conference, which took place in Rome last november, highlighted these issues and underscored the key role of Latin America in the present world context, both as an exporter of food and as a region fortunate enough to have the potential to produce sufficient for its own needs to reach satisfactory levels of nutrition and rural income.
3. However, the world energy shortage, a series of poor harvests of major crops, the rapidly rising cost of agricultural inputs, have all had a negative influence on Latin American agriculture, counterbalanced only partially by favorable export prices. While there have been some notable advances in recent years, the region's agricultural output is far from satisfactory. The income gap between urban and rural areas has not diminished measurably; in many places it may have worsened.
4. The President of the Inter-American Development Bank announced at the World Food Conference the Bank's recognition of the crucial importance of food and agricultural development in the region and the IDB's determination to expand and seek ways of assistance in these fields. Mr. Ortiz Mena further indicated the IDB's interest in strengthening its collaboration with other international organizations to achieve a concerted impact.
5. The World Food Conference adopted a series of proposals to meet the global problem. Resolution XXII referred to the establishment of a Consultative Group on Food Production and Investment (CGFPI) under the cosponsorship of the World Bank, UNDP, and FAO.

6. On March 1, 1975, Dr. Henry A. Kissinger, Secretary of State of the United States of America, proposed that a Hemisphere Agricultural Consultive Group be constituted under the IDB to generate annual agricultural production increases in the range of 3 1/2 to 4 percent, to be achieved through:
  - new investment in regional and national agricultural programs;
  - integration of agricultural research efforts through the Hemisphere;
  - adoption of improved national food and nutrition programs.
  
7. In addition, he made specific proposals designed to reduce waste and spoilage of food, extend to national research institutions the results of agricultural research from international research centers; expand exchange of research data and give increased attention to nutrition and food technology.
  
8. There appear to be several good reasons for the creation of a mechanism for stimulating agricultural development and food production in Latin America which would complement the CCFPI, among which are the following:
  - (a) In view of the unique characteristics of Latin America, as a region with an intermediate degree of development, there are special food and agricultural problems as well as opportunities which are very different from those of other regions.
  - (b) The World Group's attention is likely to be absorbed by the more acute problems of food production, most of which are in Asia and Africa.
  - (c) There is need for an increased flow of external resources for technical and financial cooperation in agricultural development and food production.
  - (d) It is essential to improve coordination among the main agencies in order to improve the quality of the financial and technical cooperation currently being provided in Latin America.
  
9. In view of these considerations, the President of the Inter-American Development Bank took the initiative to begin consultations with Governments and Agencies towards the establishment of a Group for International Cooperation in Agricultural Development and Food Production in Latin America.

## II. OBJECTIVES OF THE GROUP

10. The Group will have two main objectives:

- (a) To promote and channel toward Latin American countries an increased flow of external resources for financial and technical cooperation in food production and rural development.
- (b) To assure a higher degree of coordination among agencies so as to improve the quality of external assistance received by Latin American countries. This requires the establishment of an informal, but permanent mechanism of coordination in the realm of financial and technical cooperation, that would result in a considerable improvement in its quality.

## III. APPROACHES TO AGRICULTURAL DEVELOPMENT NEEDS IN LATIN AMERICA

11. While the main responsibility and challenge for resolving these urgent problems rests with the individual countries, external agencies, both multi-lateral and bi-lateral, provide considerable support for country efforts through financial and technical assistance. In many situations the contributions of external agencies may supply critical human, technical or financial resources needed to launch successfully an agricultural program or project. The role of the international agencies can, therefore, be much greater than that indicated by the absolute size of the resource flow to the agricultural sector.
12. It is clear that expansion and improvement of agriculture and rural development in Latin America will require a number of measures suitable to the various countries, and groups of countries, of the region.
13. Due to the differences in capacities of the countries of Latin America in the agricultural sector, no single plan or measure is appropriate. The Group will have to agree upon lines of priority action, adjusted to the needs and capacities of the individual countries, directed to the following overall goals:
- (a) Acceleration of domestic food production and increase of the availability of basic foodstuffs within the region.
  - (b) Increase of agricultural exports, both within the region and to the world.
  - (c) Improvement of rural incomes, employment and levels of living.
14. Specific action toward these goals (which may not always be compatible) will need to include a combination of current and relatively new measures on the international level. The latter may include concerted action on food technology, delivery systems for improved crop and animal productivity on small farms, cooperative credit, marketing, agro-industrial systems and integrated

rural development programs. New initiatives in a concerted international assistance effort may include some or all of these, plus other lines of action deemed appropriate. It is not intended that the creation of the Group could in any way limit or circumscribe existing external assistance. The variety and flexibility of financial and technical aid programs should be maintained and fostered. It is important, however, for the Group to search for new instruments to improve upon past efforts, and which can be especially fruitful through international collaboration on the regional level.

#### IV. PROPOSED FUNCTIONS OF THE GROUP

15. The functions of the Group fall under two broad categories:

1. Analysis, consultation and design of programs.

- (a) Analysis and consultation on major agricultural problems and design of possible action programs.
  - (i) Study of the flow of internal and external resources to technical assistance and agricultural investments, analysis of trends and promotion of increased resources.
  - (ii) Matching national agricultural development goals with the flow of external resources and technical assistance, so as to identify possible gaps.
  - (iii) Contribution to bridging main gaps in the process of transfer of technology (international/national research, national research/agricultural planning; national research/extension services and between the latter and the farmer);
  - (iv) Analysis of internal constraints to Latin American ✓ agricultural development.
- (b) New approaches to technical and financial assistance for agricultural development, such as:
  - (i) Multinational and sub-regional projects related to agricultural inputs, production and marketing;
  - (ii) Financing the expansion of intra-regional trade in agricultural commodities; and
  - (iii) Establishment of a regional agricultural information center (transfer of technology, marketing information, regional statistics).

2. Inter-Agency Coordination

- (a) Exchange of information (clearinghouse) on ongoing activities and comparative analysis of project pipelines;
- (b) Joint-ventures (joint study missions to identify key problems, training courses, consortia for financing investment projects);
- (c) Improved coordination between technical assistance and investment activities, particularly on the links and sequence of the different phases of pre-investment/investment cycle.

16. Though the success of the Group will depend in great measure on the will of participants to follow its recommendations, in consonance with its informal character, the decisions it may adopt will not be formally binding and shall not affect the areas of competence of its members, nor their relations with each other.

V. COMPOSITION OF THE GROUP

17. To attain its objectives, the Group's membership should represent a wide geographic and institutional spectrum. On the other hand, to ensure that a somewhat large membership does not limit the effectiveness of its deliberations, the Group's composition should depend in each instance on the functions it is carrying out at that time. This principle of variable participation in relation to the activities it performs at a given moment, should result in economy of effort and in greater efficiency, since the organizations directly concerned with the issue under discussions would participate in the meetings.

1. Members

18. (a) Governmental Representation

The participation of Latin American Governments as beneficiaries is essential to the adequate consideration of subjects such as the substantive problems affecting agricultural development and food production, the analysis of internal constraints, the study of the problems of transfer of technology to the producer and of the flow of internal and external resources for technical assistance and agricultural investments.

19. To reduce the number of participants with a view to a more effective deliberation, the same criteria applied for the composition of the Inter-American Development Bank's Board of Executive Directors could be applied to the representation of the Latin American Governments in the Group (seven Members).

20. In the case of the IDB this formula has been found satisfactory by the Governments of the region. However, to obtain a more effective representation of all the countries in the region for the purposes of the Group, some variations may have to be introduced. One could be that the English speaking countries of the Caribbean elect a Representative to one of the seven seats, if Venezuela were to join the Group through its Investment Fund (Fondo de Inversiones).

21. The various groups of governments electing such a representative would also be asked to select an Alternate from a different country in the grouping. They would not generally attend the meeting simultaneously.

(b) Agency Representatives

22. Governmental and intergovernmental agencies concerned with a very wide variety of agricultural development problems covering the whole region would also be Members of the Group. This would be the case of the IDB, the World Bank, UNDP, FAO, ECLA, OAS, IICA, USAID, the Venezuelan Investment Fund, and CIDA.

2. Associate Members

23. Other governmental, intergovernmental or private agencies interested only in certain areas of the region or whose concern is with a limited number of the problems to be discussed by the Group would be invited to participate as Associate Members. In this category would be agencies such as: PAHO, UNICEF, UNESCO, ILO, UNCTAD, WFP, LAFTA, JUNAC, SIECA, CARICOM, CAF, CABEI, CDB, FED, and the Foundations, among others.

24. Eventually, bilateral and multilateral cooperation agencies from extraregional countries would also be invited to participate as Associate Members.

3. Observers

25. The Consultative Groups on International Agricultural Research (CGIAR) and on Food Production and Investment (CGFPI), as well as the International Fund for Agricultural Development (IFAD), would be Observers, without prejudice to the formal relations that could be established with the latter two.

26. Summarizing, the Group would be composed of:

(a) Seventeen Members:

(i) Seven representative of the Latin American Governments;

- (ii) Ten representatives of the following agencies:  
IDB, World Bank, UNDP, FAO, ECLA, OAS, IICA, USAID,  
CIDA, and the Venezuelan Investment Fund.
- (b) Associate Members, such as indicated in paragraphs 23 and 24.
- (c) Three Observers (CGIAR, CGFPI and IFAD).

## VI. PRINCIPLES OF OPERATION

### 1. Organization

- 27. Following the criteria suggested on the Group's functions and composition, it would operate as follows:
  - (a) The seventeen Members, the three Observers and those Associate Members invited by the Chairman of the Group would participate in the consultation and analysis of the major problems affecting Latin American agricultural development.
  - (b) The ten Member agencies and the three Observers would participate in the coordination activities.
- 28. The Chairman of the Group would be assisted in his functions (such as preparation of draft agenda for forthcoming sessions, assignment of reports requested by the Group to be prepared by the participating agencies, etc.) by an informal panel composed by the IDB, the World Bank, UNDP, and FAO. The panel would be chaired by the President of the IDB or his representative.

### 2. Meetings of the Group

- 29. A maximum of two meetings a year is contemplated for the full Group. However, it is believed that in order to ensure an operational content to the activities of the coordination sub-group (ten agencies and three observers), meetings for this purpose could possibly be arranged on a quarterly basis. Unless the Group decides otherwise, meetings would be held in Washington, D.C. at the IDB's Headquarters.

### 3. Staffing and Budget

- 30. After consultation with the participants, the Chairman of the Group would be appointed by the President of the IDB.
- 31. The IDB would provide appropriate offices and conference rooms for the Chairman and the Secretariat of the Group in Washington D.C., as well as office supplies, equipment and administrative services.

32. The Group with its Secretariat should not be considered as a substitute for, or detract from, the necessary work of the regular units of the participating organizations and agencies. Much, in fact most, of the information which will be compiled by the Secretariat for the consideration of the Group will be supplied by the regular units of the participants in the performance of their assigned duties. The Group must depend heavily on this support. In consequence the size of the Secretariat should be very small, comprising only three professionals besides the Chairman.
33. Members of the Secretariat will be selected by the Chairman on the basis of merit to fill the authorized positions. Any eventual increase in the number of professionals will have to be approved by the Members sharing the cost of the Group.
34. The Group's expenses would be financed by participating agencies in accordance with a cost-sharing formula to be agreed. During its initial stages, IDB would finance the Group's activities, subject to reimbursement in part as may be agreed with other Member agencies.
35. The Budget has been tentatively estimated at US\$385,000 per annum, including funds to pay for the services of consultants and to reimburse Agencies, in special cases, for the preparation of reports requested from them.

**VII. RELATIONS AND COORDINATION WITH THE CGFPI.**

36. Measures have been taken to ensure appropriate coordination with the CGFPI. In this context, it already has been agreed that:
  - (a) There should be periodic meetings between the Chairman of both Groups, and Agendas of the Groups' respective sessions should be matched, so as to eliminate possible overlappings;
  - (b) Interchange of information by the Secretariats should be operationally arranged as a permanent feature of the activities of both Groups, with a view to facilitating and speeding their work;
  - (c) The Secretariats should consult closely on the issues pending for discussion by the respective Groups to ensure that information and reports requested from Governments or Agencies participating in both schemes are coordinated in advance, in order to avoid unnecessary duplication.
  - (d) Each of the Groups should be able to request to the other to include special items in its Agenda;

- (e) Periodically, the Agenda of the Groups should include a review of the work being carried out by the other Group;
- (f) Each Group would have Observer status in the other Group's meetings, and;
- (g) The coordination and cooperation between both Groups should be always open to improvement in the light of experience.

#### VIII. CONCLUDING REMARKS

- 37. It would be prudent to agree upon a time period for the existence of the Group, with an evaluation made before the expiration of that period on the results of the Group and the feasibility of its continuation under its existing or altered form of organization and operations. A three-to-five-year duration might be considered for this initial period.
- 38. The Group as conceived herein will constitute a new form of organization. It has some precedent in the investment consultative groups for individual countries, in the Consultative Group for International Agricultural Research and in the newly constituted Consultative Group on Food Production and Investment in Developing Countries. Nevertheless, it must chart its own path and develop its own relationships with other organizations with comparable objectives.



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INTER-AMERICAN DEVELOPMENT BANK  
WASHINGTON, D. C. 20577

PD-AAF-104

CABLE ADDRESS  
INTAMBANC

July 22, 1975

Mr. Herman Kleine  
Assistant Administrator  
for Latin America  
Agency for International Development  
320 21st St. N.W.  
Washington, D.C. 20523

Subject: Group for International Cooperation  
in Agricultural Development and Food  
Production in Latin America.

Dear Mr. Kleine:

I have just returned to Washington and I brought with me a new draft of the Information Note in which I attempted to take into account the suggestions you sent me in your letter of May 16, 1975.

I shall telephone you to make an appointment in order that we may discuss this new draft.

Sincerely yours,

Juan Felipe Yriart

GROUP FOR INTERNATIONAL COOPERATION IN AGRICULTURAL  
DEVELOPMENT AND FOOD PRODUCTION IN LATIN AMERICA

Information Note

I. INTRODUCTION

1. In recent years, the critical shortage of basic food in various parts of the world has focused attention on the need for increased production of food crops to meet current and anticipated future deficits.
2. The agricultural sector plays a major role in the economics of developing and developed countries. Its evolution in recent years has influenced substantially economic conditions in developed countries and its problems have contributed strongly to the acceleration of world inflation. At the same time, the weakness of the agricultural sector in many developing countries has represented one of the great problems for their sustained growth.
3. The World Food Conference, which took place in Rome last November, highlighted these issues and underscored the key role of Latin America in the present world context, both as an exporter of food and as a region fortunate enough to have the potential to produce sufficient for its own needs to reach satisfactory levels of nutrition and rural income.
4. However, the world energy shortage, a series of poor harvests of major crops, the rapidly rising cost of agricultural inputs, have all had a negative influence on Latin American agriculture, counterbalanced only partially by favorable export prices. While there have been some notable advances in recent years, the region's agricultural output is far from satisfactory. The income gap between urban and rural areas has not diminished measurably; in many places it may have worsened.
5. The president of the Inter-American Development Bank announced at the World Food Conference the Bank's recognition of the crucial importance of food and agricultural development in the region and the IDB's determination to expand and seek ways of assistance in these fields. Mr. Ortiz Mena further indicated the IDB's interest in strengthening its collaboration with other international organizations to achieve a concerted impact.

6. The World Food Conference adopted a series of proposals to meet the global problem. Resolution XXII referred to the establishment of a Consultative Group on Food Production and Investment (CGFPI) under the cosponsorship of the World Bank, UNDP and FAO, which has had its first session.
7. On March 1, 1975, Dr. Henry A. Kissinger, Secretary of State of the United States of America, proposed that a Hemisphere Agricultural Consultive Group be constituted under the IDB to generate annual agricultural production increases, to be achieved through:
  - new investment in regional and national agricultural programs, including proposals designed to reduce waste and spoilage of food;
  - integration of agricultural research efforts through the Hemisphere;
  - adoption of improved national food and nutrition programs.
8. There appear to be several good reasons for the creation of a mechanism for stimulating agricultural development and food production in Latin America which would complement the CGFPI, among which are the following:
  - (a) In view of the unique characteristics of Latin America, as a region with an intermediate degree of development, there are special food and agricultural problems as well as opportunities which are very different from those of other regions.
  - (b) The World Group's attention is likely to be absorbed primarily by the more acute problems of food production, most of which are in Asia and Africa.
  - (c) There is need for an increased flow of external resources for technical and financial cooperation in agricultural development and food production.
  - (d) It is essential to improve coordination among the main agencies in order to improve the quality of the financial and technical cooperation currently being provided in Latin America.
9. In view of these considerations, the President of the Inter-American Development Bank took the initiative to begin consultations with Governments and Agencies towards the establishment of a Group for International Cooperation in Agricultural Development and Food Production in Latin America <sup>1/</sup>.

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1/ Including under this denomination the English-speaking Caribbean.

## II. OBJECTIVES OF THE GROUP

10. The Group will have two main objectives:
  - (a) To develop a better understanding of agricultural problems and opportunities common to the region or sub-regional groupings.
  - (b) To promote and channel toward the Latin American countries an increased and better coordinated flow of external resources for financial and technical cooperation in food production and rural development.

## III. APPROACHES TO AGRICULTURAL DEVELOPMENT NEEDS IN LATIN AMERICA

11. While the main responsibility and challenge for resolving these urgent problems rests with the individual countries, external agencies, both multi-lateral and bi-lateral, provide considerable support for country efforts through financial and technical assistance. In many situations the contributions of external agencies may supply critical human, technical or financial resources needed to launch successfully an agricultural program or project. The role of the international agencies can, therefore, be much greater than that indicated by the absolute size of the resource flow to the agricultural sector.
12. It is clear that expansion and improvement of agriculture and rural development in Latin America will require a number of measures suitable to the various countries, and groups of countries, of the region.
13. Due to the differences in capacities of the countries of Latin America in the agricultural sector, no single plan or measure is appropriate. The Group will have to agree upon lines of priority action, adjusted to the needs and capacities of the individual countries, directed to the following overall goals:
  - (a) Acceleration of domestic food production and increase of the availability of basic foodstuffs within the region.
  - (b) Increase of agricultural experts, both within the region and to the world.
  - (c) Improvement of rural incomes, employment and levels of living.
14. Specific action toward these goals (which may not always be compatible) will need to include a combination of current and relatively new measures on the international level. The latter may include concerted action on food technology, delivery systems for improvement of crop and animal productivity on small farms, cooperative credit, marketing, agro-industrial systems and integrated

rural development programs. New initiatives in a concerted international assistance effort may include some of all of these, plus other lines of action deemed appropriate. It is not intended that the creation of the Group could in any way limit or circumscribe existing external assistance. The variety and flexibility of financial and technical aid programs should be maintained and fostered. It is important, however, for the Group to search for new instruments to improve upon past efforts, and which can be especially fruitful through international collaboration on the regional level.

#### IV. PROPOSED FUNCTIONS OF THE GROUP

15. The functions of the Group fall under two broad categories:

1. Analysis, consultation and design of programs;

- (a) Consultation on the major problems facing the agriculture of the region and design of possible action programmes. In this context, special attention will be given to:
  - (i) Analysis of the internal and external constraints affecting Latin American agricultural development.
  - (ii) Study of the flow of internal and external resources to technical assistance and agricultural investments, analysis of trends and promotion of increased resources.
  - (iii) Means to shorten the duration of the pre-investment/investment period, with a view to favouring the Latin American countries by a more efficient use of international financial resources.
- (b) New approaches to technical and financial assistance for agricultural development, such as:
  - (i) Multinational and sub-regional projects related to agricultural inputs, production and marketing.
  - (ii) Financing the expansion of intra-regional trade in agricultural commodities; and
  - (iii) Promoting the adequate flow of regional agricultural information

2. Inter-Agency Coordination

Activities in this connection will be conducted at both the regional and country levels. In particular, efforts will be made to ensure:

- (a) Exchange of information (clearinghouse) on ongoing activities and comparative analysis of project pipelines;
- (b) Joint inter-agency ventures (such as joint study missions to identify key problems, training course, consortia for financing investment projects);
- (c) Improved coordination between technical assistance and investment activities, particularly on the links and sequence of the different phases of pre-investment/investment cycle.

16. In consonance with its informal character, the decisions the Group may adopt will not be formally binding and shall not affect the areas of competence of its members, nor their relations with each other. In consequence, the success of the Group will depend in great measure on the will of the participants to follow its recommendations and will have to be measured in terms of the increased effectiveness of the international cooperation.

## V. COMPOSITION OF THE GROUP

17. To attain its objectives, the Group's membership should represent a wide geographic and institutional spectrum. On the other hand, to ensure that a somewhat large membership does not limit the effectiveness of its deliberations, the Group's composition should depend in each instance on the functions it is carrying out at that time. This principle of variable participation in relation to the activities it performs at a given moment, should result in economy of effort and in greater efficiency, since the organizations directly concerned with the issue under discussions would participate in the meetings. The full membership of the Group will meet in an Annual Consultative meeting.

### 1. Members

#### (a) Governments

18. All Latin American Governments may become Members at their request.

#### (b) Agencies

19. Governmental and intergovernmental agencies concerned with a very wide variety of agricultural development problems covering the whole region would also be Members of the Group. This would be the case of the IDB, the World Bank, UNDP, FAO, ECLA, OAS, IICA, USAID, the Venezuelan Investment Fund, and CIDA.

### 2. Associate Members

20. Other governmental, intergovernmental or private agencies interested only in certain areas of the region or whose concern is with a limited number of the problems to be discussed by the Group would be invited to participate as Associate Members. In this category would be agencies such as:

PAHO, UNICEF, UNESCO, ILO, UNCTAD, WFP, LAFTA, JUNAC, SIECA, CARICOM, CAF, CABEI, CDB, FED, and the Foundations, among others.

21. Eventually, bilateral and multilateral cooperation agencies from extraregional countries would also be invited to participate as Associate Members.

### 3. Observers

22. The Consultative Groups on International Agricultural Research (CGIAR) and on Food Production and Investment (CGFPI), as well as the International Fund for Agricultural Development (IFAD), would be Observers, without prejudice to the formal relations that could be established with the latter two.

23. Summarizing, the Group would be composed of:

(a) Members

- (i) The Latin American Governments wishing to join the Group;
- (ii) Ten representatives of the following agencies: IDB, World Bank, UNDP, FAO, ECLA, OAS, IICA, USAID, CIDA, and the Venezuelan Investment Fund.

- (b) Associate Members, such as indicated in paragraphs 20 and 21.

- (c) Observers (CGIAR, CGFPI and IFAD)

## VI. PRINCIPLES OF OPERATION

24. To carry out its various functions (paragraph 15) the Group would operate in the following manner:

- (a) Analysis of major problems, consultations and design of programs would be undertaken at three levels:

- (i) Annual Consultative Meeting attended by all Members, Observers and selected Associate Members;
  - (ii) Task forces on regional and Sub-regional problems with membership determined at the Consultative Meeting and;
  - (iii) Country-level consultations at the request of a Government, which would also determine the participants and venue.
- (b) Inter-agency coordination would be undertaken by the Member Agencies,
- (c) The support of the Chairman in his functions (such as preparation of draft agenda for forthcoming sessions, assignment of reports requested by the Group to be prepared by the participating agencies, etc), would be undertaken by an informal panel composed by the IDB, the World Bank, UNDP, and FAO. The panel would be chaired by the President of the IDB or his representative.

## 2. Meetings of the Group

2.5. The Group would hold an Annual Consultative Meeting with the participation of all its Members and those Associate Members invited in relation to specific Agenda items. To keep expenses and the use of organizational resources to a minimum, with the possible exception of the first meeting, the Annual Consultative Meetings would be convened and held on the occasion of regularly scheduled sessions of one of its Member agencies. For instance, on the years when FAO's Regional Conference for Latin America meets (even years), by arrangement with FAO the Group's Annual Consultative Meeting could immediately precede it.

Other years, the ECLA Conference or similar events could be used for this purpose.

- at the Consultative Meeting
26. Upon approval/of the Group's Annual Programme of Work, the Governmental delegates would select the countries that would participate, jointly with agency representatives, in the informal task forces created by the Group to analyze specific regional or sub-regional problems and design appropriate action programmes. This formula implements the principle of functional participation (i.e. the size of the task forces would depend in each case on the issues concerned), ensuring a permanently flexible and informal nature to the Group's activities. To reduce the number of participants in the task forces with a view to a more effective functioning at the working level, appropriate criteria for the selection of the countries/<sup>and Agencies</sup> will have to be developed, taking into account the different national interests and the real possibility of making substantial contributions to the specific problem being reviewed.
27. As an optional type of activity and upon request of a Latin American Government, consultations between an individual country and the agencies could also be convened, in order to review the agricultural situation of that country.
28. The organization of these exercises, including the selection of the site and the list of agencies invited would remain a prerogative of the Government concerned.
29. Task forces should meet as appropriate and the Country-level consultations should be held at the host country's convenience. Lastly, with a view

to ensuring an operational content to the activities of the coordination sub-group (ten member agencies and three observers), meetings for this purpose could possibly be arranged on a quarterly basis. Unless the Group decides otherwise, these meetings would be held in Washington, D.C., at the IDB's Headquarters.

3. Staffing and Budget

30. After consultation with the participants, the Chairman of the Group would be appointed by the President of the IDB.

31. The IDB would provide appropriate offices and conference rooms for the Chairman and the Secretariat of the Group in Washington D.C., as well as office supplies, equipment and administrative services.

32. The Group with its Secretariat should not be considered as a substitute for, or detract from, the necessary work of the regular units of the participating organizations and agencies. Much, in fact most, of the information which will be compiled by the Secretariat for the consideration of the Group will be supplied by the regular units of the participants in the performance of their assigned duties. The Group must depend heavily on this support. In consequence the size of the Secretariat should be very small, comprising only three professionals besides the Chairman.
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  - (b) Interchange of information by the Secretariats should be operationally arranged as a permanent feature of the activities of both Groups, with a view to facilitating and speeding their work;
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#### VIII. CONCLUDING REMARKS

37. It would be prudent to agree upon a time period for the existence of the Group, with an evaluation made before the expiration of that period on the results of the Group and the feasibility of its continuation under its existing or altered form of organization and operations. A three-to-five-year duration might be considered for this initial period.

38. The Group as conceived herein will constitute a new mechanism for/coo-  
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for individual countries, in the Consultative Group for International  
Agricultural Research and in the newly constituted Consultative Group  
on Food Production and Investment in Developing Countries. Never-  
theless, it must chart its own path and develop its own relationships  
with other organizations with comparable objectives.

MAY 16 1975 •

Mr. Juan Felipe Yriart .  
Inter-American Development Bank  
808 17th Street N.W.  
Washington, D.C. 20577

Dear Mr. Yriart:

Thank you for today's letter and the revised draft. I think that the evolution of the consultative group concept is promising, and I agree that the two changes described in your letter and the revised draft are desirable.

I would like to make the following observations and suggestions for your consideration as you move toward a final version:

1. The section "II. OBJECTIVES OF THE GROUP" (page 3) contains two objectives that are closely related to one another and omits what I think is another basic objective. I suggest that the two objectives in the current draft be merged by revising objective (a) to read as follows:

To promote and channel toward Latin American countries an increased and better coordinated flow of external resources for financial and technical cooperation in food production and rural development.

The new objective might go something like this:

To develop a better understanding of agricultural problems and opportunities common to the region or sub-regional groupings.

I think that the use of two objectives as suggested herein will be more consistent with the structure of "VI. PRINCIPLES OF OPERATION" in your latest revision.

2. If you agree about the recommended changes in the objectives, then you may want to consider adjusting section IV so as to group the functions according to the objectives. This would mean that what is currently contained under paragraph 15.1 would now correspond to the regional and sub-regional issues objective; what is contained in 15.2 would correspond to the coordination and increased flow of external resources objective. With respect to the latter, I suggest that it be made explicit that there would be coordination activities at both the regional and country levels.

3. Consistent with our discussions on the composition of the informal panel, it would be helpful if we could get a better appreciation of its role as described in paragraph 24(c), particularly vis-a-vis the role of the Secretariat, mentioned in paragraphs 32 and 33.

4. It is not apparent to us that the need for donor coordination at the regional level warrants quarterly meetings of the coordination sub-group (paragraph 29). While I can see some advantages to occasional donor meetings where the agenda is regional, I also believe that an important element of the donor coordination effort will occur within the individual country context.

In closing, I want to reiterate both our support for the consultative group and for your efforts to structure it to maximize its chances of achieving fruitful results. In this connection, we will be pleased to consider appropriate support by A.I.D. for the work of the consultative group.

Sincerely,

/s/ Herman Kleine

Herman Kleine  
Assistant Administrator  
for Latin America and  
Deputy U.S. Coordinator

Clearances:

Treasury:MRyss (subs)  
Agriculture:MKriesberg (subs)  
A/AID:PBoughton (subs)  
LA/DR:CVanHaeften (subs)  
LA/MRSD:KLindsay (subs)  
ARA/ECP:Creynolds (subs)  
TA/AGR:KMcDermott (basic subs)  
EB/ORF:JPlacke (subs)

LA/DP:LKHarrison:car:5/16/75

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GIDAPA POSITION PAPER - AGENDA ITEM 3

3. DRAFT AGENDA OF THE GROUP'S FIRST CONSULTATIVE MEETING.

Issue

To be able to discuss documentation which will be presented on the draft agenda for the First Consultative Meeting which will be held next spring.

Recommended U.S. Position

While we may generally concur in the formulation in the Information Note of the Group's mandate, we wish to achieve maximum effectiveness of GIDAPA by narrowing its focus to an appropriately small number of targets of opportunity which will complement the efforts of other international organizations addressing agriculture development and food production. At the same time, we have to be sure that the GIDAPA preparatory meeting considers each of the Kissinger proposals contained in his Houston speech of March 1, 1975. We should seek consensus on specific inclusion, either in the agenda of the First Consultative Meeting or in the list of "preparatory papers" for it. The outline of the 10/21/75 Objectives of the Project, the Description of the Project (General Functions), and Project Justification allow for consideration of each at a later date if it proves inappropriate to do so this winter.

Discussion

CGFPI's Chairman Edwin Martin wrote Assistant Secretary Enders (and presumably other agencies) on September 29 outlining draft "Basic Concepts" for CGFPI which we probably will be supporting. He describes as top priority increasing self-sufficiency in food in the most severely deficient countries -- those deficient now or in the future in basic foods and foreign exchange; and therefore helping grow locally more of the food rural people should be eating and placing high priority on concessional agricultural investment therefor. By thus focusing on the yields of nutritious foods of the poorest farmers, CGFPI reinforces its intention to concentrate on Asia and Africa, with only limited appropriate interest in Latin America (Haiti, Bolivia). Martin would finance concessionally only under exceptional circumstances projects to increase crops for export or for domestic urban consumption of foods other than staples, and thus conserve scarce concessional resources as well as land and water for the first objective.

CGFPI's focus points to the desirability of GIDAPA's considering parallel emphasis for the poorest Latin American countries, and encouraging ordinary capital financing for food exports and for agricultural production of other than basic foods. (This discussion is appropriate to Section III. B.i.a.ii of the Information Note of 10/21))

### Kissinger Proposals

1. Adequate nutrition for all in our hemisphere rich in productive land. Adoption of improved national food and nutrition programs. (Our delegation should bear in mind that the Secretary also proposed that the U.S. and Latin America jointly establish and finance research centers in nutrition...)

Although the 10/21 Information Note calls for increasing the supply of basic food commodities in the region, and for improving rural sector income and living standards, nutrition is not specified as an objective for GIDAPA.

2. Latin American food production increases in the range of  $3\frac{1}{2}$  to 4 percent annual should be a goal of the Group.

The Information Note notes Ortiz Mena's recognition, in establishing the Group, of "the crucial importance of developing agricultural and food production." It may be counterproductive to set a specific annual growth target which would unevenly met at best. It would be useful to urge GIDAPA to focus on means of increasing productivity of small farmers such as by promoting multiple cropping, high yielding varieties, specialty crops, mixed enterprises, etc.

3. Production increases should be achieved through new investment in regional and national agricultural programs.

The Information Note calls for "promoting and channeling .... a greater flow of external financial and technical cooperation resources for food production and rural development." It would place special emphasis on both the study of internal and external flows, and the promotion of a larger flow. It would try to shorten preinvestment periods for more efficient use of flows, and identify various categories of projects which should absorb such flows. We should urge GIDAPA to consider ways of augmenting private investment for agricultural development. GIDAPA should not seek to divert concessional public flows for large farmers for export crops.

4. Increase production should be helped by integration of agricultural research efforts in the hemisphere. Research is essential to adequate nutrition for all. Research should adequately serve local needs. (Note that Mr. Kissinger also said we would help the hemisphere's international agricultural research centers' outreach to national research institutions, that we would join with other countries and institutions to finance local extension efforts of these international agricultural research centers and that the U.S. and Latin America should jointly establish and finance research centers in nutrition and food technology.)

The Information Note proposes that general functions include investment in national research systems and linkage with agricultural policy and extension services, and that the Group promote an adequate flow of regional agricultural information. It also calls for the encouragement of existing and new technologies which may derive from research. For the short run, we would agree with the omission from this year's GIDAPA plans of any major focus on research coordination, financing of the outreach from the international centers, or establishment of the specific nutrition and food technology research centers. Both CGIAR and CGFPI are focusing on national research improvements. The major Latin American-based international agricultural research centers appear to be reaching the limit of external assistance they can usefully apply to expand their outreach to the national centers. It would be appropriate for individual GIDAPA country studies to address insufficient national research center capability for outreach both back to the international centers and through extension services to the farmers.

5. The Group should address increased production by urging adoption of improved national food and nutrition programs.

The first item in the general functions listed in the Information Note is "Analysis of internal and external constraints on agricultural development in Latin America". We should urge upon GIDAPA the need to focus upon the well-being of the rural population and on the growth in agricultural demand which would result from adoption of sound food policies. We can properly urge that GIDAPA seek to help fill Latin America's gap in national food and nutrition policies and programs, particularly in the context of specific GIDAPA country studies, along with pricing, marketing, and other

agricultural policies designed to augment production and distribution. We should bear in mind, however, that, in contrast to CGFPI, GIDAPA does not have rural nutrition as a specific objective, but rather agricultural production including potential exports.

6. The Group should urgently recommend ways of reducing waste and spoilage.

This can be addressed under the analysis of internal constraints on agricultural development and we could appropriately so recommend. It would be a logical aspect of one of the "new approaches" recommended by the Information Note, "financing of reserves and of the expansion of intra-regional trade in agricultural products." It is clearly part of the ways in which the supply of basic food commodities in the region can be increased.

7. We propose a new center for agricultural research information, linked to the Agricultural Information Exchange Center of the Smithsonian. We would join with other countries and institutions to finance the information exchange center.

The Information Note calls for promotion of an adequate flow of regional agricultural information. There are Latin American subregional efforts to create agricultural research information exchanges. We could appropriately reiterate Mr. Kissinger's objective, but broaden it to note the possibilities of cooperation with the U.S. Department of Agriculture's National Agricultural Library, the Turrialba ICA/CIDA facility, and the Smithsonian Center, and urge a study of the best ways of achieving the desired purpose.

Cleared: EB/OFPP:PTaylor  
LA/DR:JHawes  
USDA/ERS:MKriesberg  
TA/AGR:LHesser  
A/AID:PBoughton (informed)  
TREAS/IA:MRyss (informed)

LA/MRSD:PLansdale 10/24/75

File: 16AD  
10/24/75

GIDAPA POSITION PAPER - PLEDGE OF U.S. SUPPORT

5980575(8)  
PD-AAF-104

Issue

To indicate U.S. Government financial support for the Group for International Cooperation in Agricultural Development and Food Production in Latin America (GIDAPA).

Recommended U.S. Position

The United States wishes to make a ~~significant~~ contribution to GIDAPA. We should indicate that, drawing first upon SPTF local currencies to the extent that these are suitable, and second upon AID's Consultants and Seminars project for dollars, AID on behalf of the United States is willing to provide financial support towards the first year's GIDAPA budget in the amount of up to 50 percent of short-term U.S. consultants costs, and up to 50 percent of costs for conferences and meetings. For the first year this would amount to Latin American currencies and dollars equivalent of up to an aggregate of \$64,000. This proposal is not necessarily a precedent for the way in which subsequent year contributions from the United States would be financed.

Discussion

On 10/21/75, an IDB document was issued describing a three-year estimated budget of \$1.36 million, of which \$400,000 for the first year. The IDB document provides a line item breakdown into six categories (p. 10, attached).

The IDB has requested its Executive Directors to approve \$739,000 from FSO as a grant to help create GIDAPA. This is an amount close to the total three-year cost of two of the line items: (a) fees for the Secretary General, three professionals, and two full-time plus one part-time secretary, and (b) other benefits for this personnel calculated at 45% of the previous item. In addition (outside the FSO grant), IDB will be providing (c) certain administrative costs including office space and equipment chargeable to the IDB's Administrative Budget.

The World Bank's initial contribution has been proposed at \$50,000 for the first year. IDB proposes that this be used to cover contingencies (\$40,000 budgeted for the first year) or for other parts of first year costs.

UNDP has indicated its willingness to provide an unspecified amount for consultants and costs of meetings and conferences.

Dollars from the AID Consultants and Seminars project can be made available by a grant to the IDB for use in promoting agricultural development through the hemispheric group. AID/LA would reserve the funds by means of a PIO/T. Our contract office then would develop a grant agreement with the Bank. Normally, such a grant agreement provides for compliance with AID's policies pertaining to the hiring of U.S. citizens rather than foreign nations. Thus it is not appropriate for our dollar contribution to be used for U.S. consultants.

SPTF local currencies could be programmed by agreement between AID and the Bank. An exchange of letters would enable the Bank to program the necessary funds.

In sum, it appears that first year costs will be adequately met by the named agencies. In addition, with IDB's rather sizable three-year commitment and the likelihood of subsequent contributions by the other agencies of at least the same magnitude, as their first year pledges, it is likely that GIDAPA's three-year requirements will be met.

Attachment: a/s

Cleared: LA/DP:PMorris  
CM/ROD/LA:Sheishman (phone)  
EB/IFD:PTaylor  
TA/AGR:LHesser  
USDA/ERS:MKriesberg  
LA/DR:JHawes  
LA/GC:NWilliams  
LA/MRSD:EMarasciulo  
TREAS/IA:MRyss (informed)  
A/AID:PBoughton (informed)

LA/MRSD:EBaker:10/24/75

(Equivalent in US\$)

GENERAL SECRETARIAT	<u>1st year</u>	<u>2nd year</u>	<u>3rd year</u>
a. <u>Fees</u>			
One General Secretary and three professionals for a period of 12 months each per year; two permanent full-time secretaries and one part-time secretary for the three years of the program	160,000 <u>2/</u>	170,000 <u>1/2/</u>	180,000 <u>1/2/</u>
b. <u>Other benefits</u>			
Estimate based on approximately 45% of the foregoing item	72,000 <u>2/</u>	77,000 <u>1/2/</u>	80,000 <u>1/2/</u>
c. <u>Short-term consultants 2/</u>			
Estimate based on 12 expert/months per year at US\$4,000 per expert/month	48,000	48,000	48,000
d. <u>Conferences and meetings</u>			
Travel and per diem, translations, publications, Secretariat for meetings, etc.	80,000	90,000	100,000
e. <u>Contingencies</u>			
Estimate based on approximately 10% for the first year increased by future adjustments indicated in a and b for the following two years of the program	40,000	65,000	102,000
f. <u>Total project costs</u>	400,000	450,000	510,000

1/ Future increases in these items would be charged under contingencies.

2/ This item includes salaries to be reimbursed to the Bank for payments to permanent staff assigned to CIDAPA.

3/ Includes fees, travel, per diem and other benefits.

FOR IMMEDIATE RELEASE

5980575(9)



World Bank

PD-AAF-104

1818 H Street, N.W., Washington, D.C. 20433, U.S.A. • Telephone: (202) 393-6360

2p

November 1, 1975

Subject: October meeting of the Consultative Group on International Agricultural Research

The 27 donor members\* of the Consultative Group on International Agricultural Research (CGIAR) plan to provide about \$64 million in support of activities of a dozen research centers and programs\*\* around the world for calendar year 1976. The action was taken yesterday during the second and final day of the Group's semi-annual meeting held at the headquarters of the World Bank in Washington, D.C.

CGIAR-supported programs aim primarily at increasing food crop production in the developing world through research, but they also include research into animal production systems, diseases of livestock, and conservation of plant genes for use in research and production programs.

The Consultative Group is co-sponsored by the Food and Agriculture Organization (FAO), the United Nations Development Programme (UNDP), and the World Bank. The Bank is Chairman of the Group.

With the inclusion under the CGIAR umbrella of a newly-planned center, the International Center for Agricultural Research in the Dry Areas (ICARDA), the CGIAR-assisted programs now embrace the major food crops and livestock, and all the ecological zones of the developing world.

The CGIAR members confirmed during their meeting plans for ICARDA, which will devote its research to barley, lentils, and farming systems centered around sheep, with particular emphasis on the problems of areas with low and irregular rainfall. ICARDA would have principal stations in three countries: Lebanon, Iran and Syria.

In the five full years of the Group's existence, the number of supported centers and programs has grown from 5 to 12, and financial assistance has increased more than fourfold -- from \$15 million to the present-day figure of about \$64 million. Noting this rapid and continuous expansion, the CGIAR members decided to review progress to date and to draw up proposals for consideration at their next meeting concerning the direction the Group and its supported activities might take in the years ahead.

\* Australia, Belgium, Canada, Denmark, France, Germany, Iran, Italy, Japan, the Netherlands, New Zealand, Nigeria, Norway, Saudi Arabia, Sweden, Switzerland, the United Kingdom, the United States, the Asian Development Bank, the Inter-American Development Bank, the Ford Foundation, the Kellogg Foundation, the Rockefeller Foundation, the UNDP, the United Nations Environment Programme, the World Bank, and the International Development Research Centre.

\*\* Current Agricultural Research Information Service and the International Information System for the Agricultural Sciences and Technology (CARIS-AGRIS) in Rome, the International Center of Tropical Agriculture (CIAT) in Colombia, the International Maize and Wheat Improvement Center (CIMMYT) in Mexico, the International Potato Center (CIP) in Peru, the International Institute of Tropical Agriculture (IITA) in Nigeria, the International Rice Research Institute (IRRI) in the Philippines, the International Laboratory for Research on Animal Diseases (ILRAD) in Kenya, the International Center for Agricultural Research in Dry Areas (ICARDA) with stations in Iran, Lebanon, and Syria, the International Crops Research Institute for the Semi-Arid Tropics (ICISAT) in India, the International Livestock Center for Africa (ILCA) in Ethiopia, the International Board for Plant Genetic Resources in Rome, and the West African Rice Development Association (WARDA) in Liberia.

5980575 (10)

*file*

PD-AAF-104

*Pro. P. General*

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK  
FOR OFFICIAL USE ONLY

**AGENDA**

AT-522  
8 January 1976  
Original: Spanish

12p

TO: The Board of Executive Directors

FROM: The Secretary

SUBJECT: Regional. Technical cooperation for establishment of the coordinating office of the International Group for Agricultural Development in Latin America (IGAD/LA)

Attached is the plan of operations for nonreimbursable technical cooperation in the equivalent of US\$740,000 chargeable to the net income of the Fund for Special Operations for establishment of the coordinating office of the International Group for Agricultural Development in Latin America (IGAD/LA). Based on the priorities indicated by the member countries, that office would be concerned primarily with coordinating interagency action in considering agricultural problems common to the region and subregions and channeling the flow of external financial and technical cooperation for food production and rural development in Latin America.

This plan of operations is presented pursuant to paragraph 3 of Resolution DE-188/75, approved by the Board of Executive Directors on November 6, 1975.

Any questions or requests for additional information concerning this operation should be directed to Mr. Alfred C. Wolf (extension 48116). Oral presentation of this plan of operations has been tentatively scheduled for the January 14 meeting of the Committee of the Whole.

Other distribution:

- Managers and Advisors
- Division Chiefs
- Representatives

## PLAN OF OPERATIONS

### INTERNATIONAL GROUP FOR AGRICULTURAL DEVELOPMENT IN LATIN AMERICA (IGAD/LA)

#### I. BACKGROUND

The uncertain inadequate supply of basic foods in various parts of the world has drawn attention in recent years to the need to increase farm production in order to cover present and projected deficits and to stabilize food and nutritional conditions within acceptable limits.

The agricultural sector plays an important role in the economy of all countries, developed and developing alike. Its evolution in recent years has substantially influenced economic conditions in the developed countries, and at the same time, the weakness of the agricultural sector in many developing countries has been one of the major impediments to such stability.

The World Food Conference held in Rome in November of 1974 underscored these problems and drew attention to the key position of Latin America in the present world context as a region which has the potential for producing food in sufficient volume to cover its own needs at satisfactory levels of nutrition and rural income. However, the world energy crisis, together with the widespread lack of a series of incentive or price promotion policies and the rapid increase in production costs has restricted farm benefits and incentives in Latin America. Since the improvement in export prices for farm products was circumstantial, it provides no basis for long-range planning of agricultural development. Consequently, domestic farm prices have been the fundamental factor in such planning.

The World Food Conference adopted a package of proposals aimed at solving the problem on a world scale. Resolution XXII referred to the establishment of a Consultative Group on Food Production and Investment (GCPAI) to be cosponsored by the IBRD, UNDP, FAO and International Fund for Agricultural Development.

#### II. ESTABLISHMENT OF A REGIONAL GROUP

President Ortiz Mena declared at the World Food Conference in Rome that the Bank recognizes the crucial importance of developing agricultural and food production in the region and announced the decision to expand the Bank's assistance in these fields and seek the necessary means of accomplishing this objective. He also indicated the interest of the Bank in strengthening its cooperation with other international organizations with a view to achieving a concerted impact at regional level on those urgent problems. Following up this line of action, the President took the initiative in calling for organization of an independent group comprising the several private government and intergovernment organizations furnishing technical and financial

cooperation to the agricultural sector in the Latin America countries. The IDB would participate as a member and would arrange for proper representation.

The President's initiative was approved by the Board of Governors of the Bank as its Sixteenth Annual Meeting. The Governors instructed the Bank to participate actively in the group and provide leadership in this field of great significance for the betterment of socioeconomic conditions in the region. Inquiries and invitations addressed by the Bank to agencies concerned met with positive and favorable responses which were reaffirmed at the meetings held on October 28 and 29, 1975, by representatives of the IBRD, AID, CIDA, IICA, OAS, ECLA, UNDP and IDB. A readiness to set up IGAD/LA was expressed, and the tasks of laying the foundations for its establishment and operations, distribution work, schedule of meetings, agenda and date of the first formal meeting of consultation and coordination were assigned.

At the same time it was proposed that the first formal meeting be held during the Seventeenth Meeting of the IDB Board of Governors. It was further suggested that the forthcoming meeting of the Board in Cancún serve as a point of first contact between agencies participating in the group and the competent authorities of the Latin American member countries of the IDB.

On November 12, 1975, another preliminary meeting of the agencies was held to distribute in advance the reports and studies to be prepared by each. On that occasion it was recalled that the agencies would reconvene on January 19 and 20, 1976, to adopt the mechanisms for coordination and allocation of specific tasks essential to arrangements for the first formal meeting.

To this end, based on the agreement of the Board of Executive Directors of the Bank, the President contracted the services of Mr. Julián Rodríguez Adame, who will serve as General Group Coordinator. His curriculum vitae is attached. Several of the participating agencies have already committed their support to the group through the allocation of technical personnel and financial contributions. The IDB has assigned a staff member to the office of the General Coordinator on a temporary basis.

### III. PROJECT PURPOSES

The fundamental aims of IGAD/LA, based on priorities selected by the member countries will be to coordinate action by the participating agencies to consider agricultural problems common to the region and its subregions and to channel the flow of external financial and technical cooperation resources for food production and rural development in Latin America.

To that end, IGAD/LA, on the basis of the priority action lines established by the countries themselves according to their needs and capacities, will endeavor to coordinate the agencies' financial and technical cooperation for the following purposes:

- a. To accelerate domestic food production and increase the supply and reserves of basic food commodities in the region;
- b. To expand farm exports both within the region and to the rest of the world;
- c. To improve the income, employment level and living standard of the rural sector.

#### IV. PROJECT DESCRIPTION

##### Organization and Headquarters of IGAD/LA Office

IGAD/LA has been set up as an autonomous interagency coordinating unit with headquarters in Washington, D.C., consisting of:

- a. A General Coordinator;
- b. Three staff professionals;
- c. Short-term consultants for specialized matters;
- d. Secretarial personnel.

##### Functions

The primary function of the office will be the proper and timely fulfillment of IGAD/LA objectives together with:

- a. Coordination of the agencies in terms of their financial and technical assistance to IDB member countries;
- b. Handling of inquiries and duties entrusted to it by the IDB member countries and the agencies;
- c. Periodic meetings with the GCPAI to ensure coordination between the two groups.

In addition, it will:

- a. Maintain a current inventory of projects completed and in execution by the agencies;
- b. Disseminate information on the projects.

For these purposes it may request that the participating agencies supply any pertinent information needed.

## V. PROJECT JUSTIFICATION

The action of the group will be designed to support, expand and improve programs and activities accelerating agricultural development in Latin America.

The specific measures directed toward attainment of project purposes must include a combination of known measures and others that are relatively new to the international scene. The latter may comprise, among other steps, inventories of natural resources; rural cadastral surveys; geographic demarcation of areas suitable for livestock, forestry, irrigation, farm drainage and improved pastures; promotion of agribusiness and food technology, and a larger number of comprehensive farm and rural development programs.

IGAD/LA may suggest or recommend methods, plans or projects which, as a consequence of joint and concerted examination, can lead to better results.

The group will improve its coordination with the GCPAI, taking into account its international status.

## VI. PROJECT COST AND FINANCING

The IDB would supply IGAD/LA with technical cooperation resources to help finance its activities and would make available the offices and services required for management of its resources.

The estimated cost of the project including financing of office expenses, contracting of short-term consultants and meeting and conferences over a three-year period, is equivalent to US\$1,154,000, based on the following tentative budget:

BUDGET

	<u>1st Year</u>	<u>2nd Year</u>	<u>3rd Year</u>	<u>TOTAL</u>
I. <u>Office of General Coordinator</u>				
1. <u>Fees of General Coordinator and 3 professionals</u>	<u>117,000</u>	<u>117,000</u>	<u>117,000</u>	<u>351,000</u>
2. <u>Salaries of 3 secretaries</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>75,000</u>
3. <u>Other benefits</u>	<u>58,500</u>	<u>58,500</u>	<u>58,500</u>	<u>175,500</u>
4. <u>Travel and per diem</u>	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>	<u>42,000</u>
II. <u>Short-term Consultants</u>	<u>48,000</u>	<u>48,000</u>	<u>48,000</u>	<u>144,000</u>
III. <u>Conferences and Meetings</u>	<u>80,000</u>	<u>90,000</u>	<u>100,000</u>	<u>270,000</u>
IV. <u>Contingencies</u>	<u>32,150</u>	<u>32,175</u>	<u>32,175</u>	<u>96,500</u>
TOTAL	<u>374,650</u>	<u>384,675</u>	<u>394,675</u>	<u>1,154,000</u>

**Note:** The Bank's resources would finance the costs covered by items "I. Office of General Coordinator" and "IV. Contingencies".

The UNDP contribution would be allocated to the contracting of short-term consultants, while the AID would fund short-term consultants, conferences and meetings. These institutions are committed to participation in the first year and intend to include a similar item in their budgets for the second and third years.

The World Bank has announced that it will furnish up to US\$50,000 for the first year.

The IDB resources would be committed for a period of three years. At the end of the second year the work done would be evaluated as a basis for decisions that would be made by the Board of Executive Directors concerning the advisability of continuing IDB support to IGAD/LA.

In addition, contributions from such other agencies as CILIA and the OAS are being sought to finance activities in the second and third years of execution.

Aside from the IBRD the agencies can make their contributions only by approving annual items in their budgets. Therefore, they cannot undertake commitments extending beyond the budget year.

#### VII. FINANCING FUNDS

The resources of the Bank's contribution up to the equivalent of US\$740,000 would be charged to the net income of the Fund for Special Operations on a nonreimbursable basis.

#### VIII. DISBURSEMENTS

The Bank contribution would be disbursed directly by the Management to the extent required by the program. To this end, the corresponding operating standards will be indicated, to which the IGAD/LA General Coordinator Office will conform with regard to requests for and/or utilization of resources, taking into account the autonomous status of the Group.

Any advance disbursements made by the Bank for fees, travel and per diem in connection with the organization of IGAD/LA prior to approval of this plan of operations would be charged to the projects resources.

The final disbursement would be made not later than 48 months from the start of the project.

The contracting provided for in this plan of operations would be governed by IDB standards and procedures for regular temporary contracting, chargeable to technical cooperation resources, in all cases where applicable.

## IX. REPORTS

The Office of the IGAD/LA General Coordinator will keep the Bank permanently informed of its activities and will receive collaboration from the technical and operational units of the Bank whenever deemed advisable.

Within three months following establishment IGAD/LA information operating procedures for the Office of the General Coordinator with respect to the group's members will be indicated. ✓

## X. AGREEMENT

Since the project will be administered directly by the Bank Management, signature of an agreement will not be necessary.

## XI. EVALUATION CRITERION

This project will be evaluated in terms of the extent to which the general purposes indicated in Section II have been attained and particularly the progress made in implementing the activities set forth in Section III.

## XII. IDB RESPONSIBILITY AND ADMINISTRATIVE RELATIONSHIP

Basic administrative responsibility will be assigned to the Technical Assistance Division, in collaboration with the Administrative Department.

Responsibility for liaison and coordination of IGAD/LA activities with the Bank will be assumed by the Office of the Program Advisor, in consultation with the Project Analysis and Economic and Social Development Departments.

## LISTA DE PARTICIPANTES

### AGENCY FOR INTERNATIONAL DEVELOPMENT (AID)

Herman KLEINE	Assistant Administrator for Latin America
Edward MARASCIULLO	Associate Assistant Administrator
Phoebe LANSDALE	Chief, Lending Coordination, Bureau of Latin America
James HAWES	Acting Chief, Rural Development Division Latin America Bureau
Martin KRIESBERG	Coordinador, International Coordination Affairs U.S. Department of Agriculture

### CONSULTATIVE GROUP ON FOOD PRODUCTION AND INVESTMENT (CGFPI)

Edwin MARTIN	Chairman
Subash MAZUMDAR	Economist

### INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (IBRD)

Adalberto KRIBER-VASINA,	Vice-Presidente para América Latina y el Caribe.
David KNOX	Director, Departamento Proyectos América Latina y El Caribe
Colin BRUCE	Chief of the Economic and Resources Division Agricultural and Rural Development Department
John BLAXALL	Assistant Director, Latin American and Caribbean Projects Department

### ORGANIZATION OF AMERICAN STATES (OAS)

Santiago MEYER PICOM	Subsecretario de Cooperación para el Desarrollo
O. Howard SALMÓN	Coordinator, External Liaison, Office of the Secretary General
Edward P. DAVIS	Especialista Principal en Relaciones Exteriores, Secret. de Cooperación para el Desarrollo
Henry W. LAURANT	Assistant Deputy Director, Department of General Development Affairs and Studies
Gerardo A. CANET	Asesor, Departamento de Desarrollo Regional
Antonio QUEZADA	Especialista, Ciencias Aplicadas (Departamento de Asuntos Científicos).

### ECONOMIC COMMISSION FOR LATIN AMERICA (ECLA)

Enrique IGLESIAS	Secretario Ejecutivo
David POLLOCK	Director, North American Office
Luis LOPEZ CORDOVEZ	Director, División Agrícola
Marco D. POLLNER	Director Adjunto, Oficina Washington D.C.

### FOOD AND AGRICULTURE ORGANIZATION (FAO)

Pedro MORAL LOPEZ	Representante Regional Interino (Santiago)
Fernando FUENZALIDA	Jefe, Unidad Planificación y Programación Oficina Regional de la FAO para América Latina
Rodrigo DUARTE TORRES	Jefe de Operaciones Proyecto A. L. (Roma).

Cont.....

INSTITUTO INTERAMERICANO DE CIENCIAS AGRICOLAS (IICA)

José Emilio ARAUJO .  
Enrique BLAIR  
Jefferson F. RANGEL

Director General  
Director de Relaciones Institucionales  
Asesor Especial de Relaciones Externas

UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP)

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Michael GUCOVSKY

Sub-Director Regional para América Latina  
Chief for Latin America

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

John P. LOBSINGER  
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Programme Officer  
Deputy Chief Planning Officer, Latin  
American Division Bilateral Branch  
Special Adviser, Agriculture

Thomas G. WILLIS

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Program Advisor  
Gerente, Departamento Económico y Social  
Gerente, Departamento Administrativo  
Gerente, Departamento de Análisis de Pro-  
yectos  
Chief, General Studies Division  
Jefe, Sección de Ganadería y Comercializa-  
ción División Proyectos de Desarrollo  
Agrícola  
Especialista Senior, Sección de Agricultura  
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Senior Consultant, Program Advisor

John ELAC  
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Oscar FUSTER  
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Clarence M. PIERCE

SECRETARIA PARA ESTAS REUNIONES DEL GRUPO INTERNACIONAL PARA EL DESARROLLO  
AGRICOLA EN AMERICA LATINA

Juan felipe IRIART  
León TENEMBAUM  
Jorge ELENA

(FAO) (Chairman ad-interim)  
(BID)  
(UNDP)

## ANTECEDENTES PROFESIONALES DE

Julián Rodríguez Adame

Ingeniero Agrónomo, con la especialidad de Economía Agrícola

### I. Reforma Agraria:

- a) Agrónomo de la Comisión Nacional Agraria.
- b) Secretario General del Departamento Agrario.
- c) Director Gerente del Banco Nacional de Crédito Ejidal (período del Presidente Cárdenas).

### II. Desarrollo Agrícola:

- a) Jefe del Departamento de Agronomía de la Secretaría de Agricultura.
- b) Director General del Consejo Nacional de Agricultura.
- c) Director General de Precios de la Secretaría de Economía.
- d) Gerente General de la Compañía Exportadora e Importadora Mexicana (Institución Estabilizadora de Precios Agrícolas, CONASUPO (Período del Presidente Ruiz Cortínez)
- e) Secretario de Agricultura (Período del Presidente López Mateos).

### III. Investigaciones Agrícolas

- a) Presidente del Centro Internacional para el Mejoramiento del Maíz y Trigo (CIMMYT, México).
- b) Consejero del Centro Internacional de Agricultura Tropical (CIAT, Cali, Colombia).
- c) Miembro del Patronato del Instituto Nacional de Nutrición en México.

### IV. Organismos Agrícolas Internacionales

- a) Presidente de la Federación Cafetalera de América.
- b) Presidente de la Federación Interamericana de Algodón.
- c) Presidente del Instituto Internacional del Algodón.
- d) Delegado de México en diversas conferencias de la O.E.A.

### V. Docentes:

- a) Director de la Escuela Central Agrícola del Estado de México.
- b) Maestro de Economía Agrícola, de la Escuela Nacional de Economía, de la Universidad Nacional Autónoma de México. (1939-1958).

Cont....

- c) **Presidente del Consejo Directivo de la Escuela Superior de Agricultura "Hermanos Escobar" Ciudad Juárez, Chihuahua, México.**

VI.

En Políticas y Diplomacia:

- a) **Secretario de Agricultura (Período del Presidente López Mateos).**
- b) **Diputado al Congreso de la Unión.**
- c) **Senador de la República.**
- d) **Embajador de México en Japón, Taiwan, Sud-Corea y Pakistán (Período del Presidente Díaz Ordáz)**

VII.

Posición Actual:

**Consultor General del Banco Interamericano de Desarrollo (1971 - .....).**

5980575 (11)

IGAD/LA BUDGET AND US CONTRIBUTION

PD-AAF-104

U.S. Position

2p

We have been pleased to learn of the contributions made by other donors, and to note that the IDB last week approved the scope of work of the Group (particularly that the Executive Directors are now satisfied that the countries will have a role in determining the directions of the Group, and that IGAD/LA will not become a large bureaucracy).

Donors which have not made a commitment should do so as promptly as possible to enable the Group to plan. (CIDA and OAS are presently reported to be contributing for the first time in CY 1977.) (Efforts to have Venezuela join as a contributor have been put off.)

We assume that the Group intends to submit Annual Reports, and that each Annual Report will have a budget report to advise the members on IGAD/LA's current financial position and prospects.

With regard to the U.S. contribution, we intend to make our first contribution from surplus IMF currencies, and, where these are not available to meet costs in countries where there are no such surpluses, in AID dollars as a Special Grant (up to half the cost of meetings, seminars, and consultants, or up to \$4,000 the first year). We do not think that our contribution, or indeed the IGAD/LA budget, should finance costs of bringing Latin American government representatives to the meetings; Latin American governments should finance travel costs of their participants.

LA/MBSD, Plansdale, 1/18/76

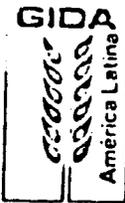
ROUTING SLIP				CLASSIFICATION Unclassified		
				DATE 1/18/77		
TO:	Name or Title	Organ. Symbol	Room No.	Bldg.	Initials	Date
1.	LA/MRSD, CGrader					
2.						
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5.						
<input type="checkbox"/>	Approval	<input checked="" type="checkbox"/>	For Your Information	Note and Return		
<input checked="" type="checkbox"/>	As Requested		Initial for Clearance	Per Conversation		
<input type="checkbox"/>	Comment		Investigate	Prepare Reply		
<input type="checkbox"/>	File		Justify	See Me		
<input type="checkbox"/>	For Correction		Necessary Action	Signature		
REMARKS OR ADDITIONAL ROUTING						
<p>Re the IGAD/LAC pledge of AID support:</p> <p>The attached 1/18/76 paper summarizes our initial position paper (10/24/75) on a US budgetary contribution to IGAD. The earlier paper proposed the formula which we subsequently announced (up to half the first year's costs for short-term consultants and meetings), but considered using SPTF (later dropped). I believe Herman drew on the January 1976 paper for his statement at Cancun in May.</p> <p>The only description we have of his three-year prediction is in Rodriguez Adame's letter of 6/7/76 "to the effect that the government of the US is disposed to contribute \$200,000 - over a three-year period to IGAD/LA projects falling within the approve plan of operations.... Would fund short-term consultants and conferences and meetings of a technical nature. The contribution would <del>be</del> amount to \$64,000 for 1976..." Our response of 6/16/76 refers only to the 1976 amount.</p>						
FROM: (Name and Org. Symbol)			ROOM NO & BLDG		PHONE NO.	
LA/MRSD, Plansdata					29354	
CLASSIFICATION						

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OPTIONAL FORM 133 (FORMERLY JF-29)  
JANUARY 1972

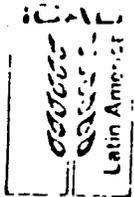
\* U.S. GOVERNMENT PRINTING OFFICE: 1976-623-240

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GRUPO INTERNACIONAL PARA EL DESARROLLO AGRICOLA EN AMERICA LATINA  
INTERNATIONAL GROUP FOR AGRICULTURAL DEVELOPMENT IN LATIN AMERICA

Washington, D.C. 20577



Cable: INTAMBANC

Doc. RCC 3/76

598-575

5980575 (12)

PD-AAF-104

12p

BASIC WORKING DOCUMENT FOR THE FIRST MEETING OF CONSULTATION OF  
THE INTERNATIONAL GROUP FOR AGRICULTURAL DEVELOPMENT  
IN LATIN AMERICA (IGAD/LA)

Cancún, Mexico, May 14-16, 1976

## I. Antecedents

1. Preparing for this First Meeting of Consultation, the agencies participating in the International Group for Agricultural Development in Latin America (IGAD/LA) held four meetings<sup>\*</sup>. The purpose was to discuss and recommend initial activities for IGAD/LA which could serve as a basis for consultation with the Ministers of Agriculture as to those priority constraints on agricultural development that should be initially addressed by the Group.
2. It is necessary to understand that the Group's discussions were given direction by previous interagency agreements as to IGAD/LA's overall goals and operational objectives to achieve those goals. Briefly stated, the agencies agreed that IGAD/LA should pursue the following objectives:
  - a) An acceleration of food production and an increase in the availability of basic foodstuffs and nutritional level within the region.
  - b) An increase in agricultural exports, both within the region and to the rest of the world.
  - c) Improvements in rural incomes, employment and levels of living, especially those of the small farmer, part-time subsistence farmers and off-farm laborers.
3. The Group was also guided by prior discussion of possible operational functions for IGAD/LA in order to facilitate achievement of the above overall objectives. In the process of their discussions, a variety of

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<sup>\*</sup> Participating agencies include: the World Bank, the Inter-American Development Bank, the Inter-American Institute of Agricultural Sciences, the United Nations Development Programme, United States Agency for International Development, the Canadian International Development Agency, the United Nations Economic Commission for Latin America, the Consultative Group for Food Production and Investment, the Ford Foundation, the Organization of American States, and the Rockefeller Foundation.

possible functions were reviewed. The agencies ultimately agreed that IGAD/LA should seek to develop more efficient ways to combine and increase recipient and donor resources in order to achieve the aforementioned objectives.

4. With this understanding of IGAD/LA's objectives and functions, the interagency group proceeded to examine a number of constraints holding back a dynamic development of the agricultural sectors of member countries. This examination used, in part, the following criteria for the selection of activities:
  - a) Activities addressing priority constraints to agricultural development in which concrete results could be conceived and likely achieved within the next 12-18 months.
  - b) Fields in which other organizations are not providing adequate assistance, such as activities where IGAD/LA's composition enables it to make a unique contribution or have a comparative advantage over other mechanisms.
  - c) Activities desired by a country or group of countries, presumably because of the desirability of a concerted action on priority constraints.
  - d) Activities susceptible to new or additional investment-related solutions (by private banks, public flows, voluntary organizations).
5. From this evaluation process emerge the following interagency suggestions for initial activities for IGAD/LA to pursue. These activities were chosen as appropriate given the nature of the Group's composition and the desire to obtain results in the shortest time period. Hopefully these proposals will serve as a basis for the consultation process being initiated with this conference.

## II. Proposals for the Role of IGAD/LA in the Training of Agricultural Manpower

### A. Major Concerns and Problem Areas

1. Limitations on the availability of adequately-trained personnel at all skill levels is one of the most serious constraints in the way of more rapid agricultural development in Latin America. Most of the existing training programs are designed to produce specialists with a relatively narrow range of technical expertise. The result is that these individuals, while generally competent in their specialties, frequently are less well-prepared to provide guidance at the local level to a country's agricultural development effort. Established training institutions generally are not designed to provide this more generalized type of management training.
2. These same institutional efforts often suffer from an inadequate socio-economic focus. For various reasons, training programs frequently

involve those with urban backgrounds and provide inadequate training to small farmers, local leaders and rural-oriented extension staff. In consequence, linkage between national research establishments or ministries of agriculture and local development efforts are weak and ineffective. There is a need to refocus efforts to concentrate on this weak institutional linkage.

3. Finally, there is the problem of inadequate compensation. Salaries in the agricultural sector do not compare favorably with those in other sectors of the economy. Frequently the specialized training and experience of agricultural personnel are not given adequate recognition and prospects for career advancement are limited. Recruitment prospects are made even more difficult by the harshness of rural living conditions. The combined results of these conditions are difficulties in recruiting and retaining staff which in turn causes difficulty in successfully implementing agricultural projects.
4. These problems as well as others continue to receive attention. A number of programs related to the training of agricultural manpower are operating in Latin America with support from multilateral and bilateral sources. Among these are activities of the ILO, UNESCO, and FAO within the UN system, the Inter-American Institute of Agricultural Sciences and several training centers funded by national and bilateral sources. Most of these efforts have specialized regional and/or subject matter areas of emphasis and none pretend to cover the full range of agricultural manpower training needs in Latin America. Also, many internally-supported training programs focus on short courses or have a relatively transitory character. It has been most difficult to institutionalize these efforts or give them permanence within the national system.

#### B. Possible Roles for IGAD/LA

1. Given this description of some of the problems presently existing in agricultural training efforts, IGAD/LA could make a valuable contribution in at least two areas. The Group could identify deficiencies -either in terms of subject matter or country coverage- in present training efforts. Also, the Group could attempt to facilitate the coordination of total training efforts as well as help develop programs designed to alleviate deficiencies that had been identified.
2. Several areas may be suggested where training deficiencies appear to exist and should be further identified:
  - a) Training of managers for local agricultural enterprises. This would especially include two types of entrepreneurs:
    - (i) farmers with limited education who operate small family farms; and
    - (ii) managers of large agricultural business (farms, agro-industrial enterprises, cooperative or collective holdings

and smaller agricultural development projects) in both the public and private sector.

- b) Training of specialists for the preparation, evaluation and implementation of area-oriented, multi-sectorial rural development projects. This may require the development of special post-graduate programs with strong interdisciplinary program content.
  - c) Training given or not given to field-level agricultural extension personnel. Frequently the training given is either inefficient or absent altogether. Growing evidence suggests that practical, field-oriented training courses of a relatively short duration, utilizing rural-oriented individuals with no more than a secondary education, may be among the most economical means to develop an effective extension service. Thus there is a need to identify or inventory the type of training and numbers required to ensure effective linkage between national efforts and the farmers. This identification process should determine effective institutional demand and not numbers and types for an ideal situation. Also, IGAD/LA could identify possible training and information diffusion roles of private suppliers of agricultural inputs, farm management services and consultants.
  - d) Training at the post-graduate and professional level. In a program of human resource training for the agricultural sector, a very important role is played by the national institutions of higher education. This training, within a diversified academic concept, should keep in mind the different disciplines and institutional areas that the agricultural sector requires.
  - e) Training of water management technologists. Water resources in Latin America tend to be poorly managed, and investment returns on training in this area are likely to be high.
3. A second role for IGAD/LA would be to facilitate the coordination of total training efforts and to help develop programs designed to alleviate the deficiencies mentioned. With regard to a possible program of work in these areas, the Group could focus on a range of these problems in a selected country or on a particular deficiency common to several countries. Whatever the focus, to be manageable and produce operationally-useful results in the next 12-18 months, IGAD/LA's program of work must be carefully selected. After the selection of priority topics of work, a possible action plan might proceed as follows:
- a) Commissioning by the office of the General Coordinator of one or more surveys to determine the precise nature of the remaining needs and to establish what agencies are already doing with respect to that topic.

- b) Typically a team of 3 to 4 professionals, who would have the advice of the specialized agencies concerned (e.g. FAO, IICA, IICA, UNESCO, and others), would carry out the reviews under terms of reference developed by the Office of the General Coordinator in consultation with countries/agencies.
  - c) The timing of these activities will be in part determined by the scope of the chosen topic and the extent to which funding supplemental to IGAD/LA's present budget is required. If funding is available immediately, it may be feasible to complete survey preparation (terms of reference, etc.) and contracting arrangements by August 1, 1976, so that this phase of work could be completed by the end of January 1977. An analysis of results and preparation of investment proposals would then proceed, with the expectation that some projects could be prepared for presentation to donors as early as mid 1977.
4. Finally, it should be stressed that the end result of IGAD/LA's activities as described above is the preparation of an investment proposal which meets identified training needs and which can be presented to IGAD/LA participating agencies for individual or joint financing. These proposals might relate to the strengthening of existing institutions and/or to the establishment of new national or international training facilities.

### III. Proposals for the Role of IGAD/LA in Agricultural Research

#### A. Major Concerns and Problem Areas

1. In recent years great strides have been made in creating new varieties of food crops and relevant technology through the international research centers. Three of these centers are currently functioning in Latin America, and their financing is being well taken care of by the Consultative Group on International Agricultural Research (CGIAR). The major challenge now is at the national level, and it is here where IGAD/LA could possibly perform an important role.
2. National research systems are generally underfinanced. Their budgets have relatively low priority, which produces national research organizations that are often weak and fragmented. Institutional linkages between central research establishments and the field remain poor. Experience has shown that building up a central research institution by itself is not sufficient.
3. International research efforts are not yet properly linked to the national systems in Latin America; consequently, results are not carried through local adaptation, testing and application.
4. There is growing evidence that some of the main reasons for the slow adaptation of available technology are a series of constraints

of a non-technical nature. These include organizational and management issues, socio-economic incentives, institutional innovations at the farmer level and interface between farmers and external services.

5. Given these perceptions of the current situation, perhaps the most urgent needs for which the best short-term results could be obtained is in the area of locally relevant testing, demonstration and dissemination of research results in a form suitable for immediate application by large numbers of small farmers.
6. With respect to research efforts themselves, there is the need for expansion into new areas as well as for new curricula in graduate agricultural programs and application of cross disciplinary research. Crop-specific research is seldom complemented by work on soils, water, and farm economics that would allow a system approach to interrelated local problems.
7. Some of the important fields in which more work seems to be urgently needed would include the following:
  - a) Production systems, including multiple cropping.
  - b) Improved technology for post-harvest processes, such as handling, storage, transportation, grading and quality control systems.
  - c) Agricultural engineering focused on small tools, equipment, water control and service and maintenance facilities suitable for groups of small farmers.
  - d) Food technology for seed development, processing, preservation, utilization of by-products, and for nutritionally important innovations.
  - e) Research on animal disease control and animal nutrition.
  - f) Institutional and economic factors affecting the adoption of new technology.
8. It should also be noted that in recent years most of the stress in agricultural research has been on the creation of biological innovations, and on agronomic practices needed to realize the yield potential of better varieties of food crops. The stress has been on crop-specific research. So far, concerted efforts have not yet been made to produce, test and disseminate technological innovations in other aspects of agriculture and nutrition.
9. Also, some of the larger, heavily funded agricultural development projects (such as major irrigation or settlement schemes) urgently require a parallel, area-specific research/extension input. The

need is for an adaptive research/on-farm demonstration/testing/education sequence designed and carried out for the specific project area.

**B. Possible role for IGAD/LA**

1. As the CGIAR deals exclusively with existing international centers, IGAD/LA should focus on the following three dimensions of the problems described above:
  - a) Strengthening national research systems, including local adaptive applied work. Especially good results might be obtained where coordinated sub-regional efforts are currently being undertaken.
  - b) Strengthening linkages between international centers and the national research systems. This would involve both raising the capacity of the national systems so that they could interact better with international centers and also adding new dimensions to international centers in order for them to be more responsive to national needs.
  - c) Help toward the creation of possible new multi-country or regional research networks or mechanisms. Action may involve strengthening or expanding existing institutions or creating new ones. The appropriate strategy options in each case would be determined only after the necessary in-depth review.
  - d) IGAD/LA could take the initiative in bringing the relevant agencies together for joint or concerted approach in which the advantages of each agency would be maximized in offering the countries a better "package" of support. In this regard, the Organization of American States has suggested that it could possibly adapt its country review mechanism to focus specially on the agricultural sector. In fact, the OAS has already entered into discussions with several of its member states to arrange such reviews.
2. The possible action plan for IGAD/LA in research is practically identical to the possibilities described in the first proposal. After agreement is reached on one or more promising lines of action (i.e. stress food technology research in the Andean Group), the Office of the General Coordinator would draw up the necessary terms of reference and a study team would be appointed (either by the Office of the General Coordinator or by one of the member agencies willing to assume leadership and major financial commitment) to look into the problem, survey relevant agency programs, country situations and present action proposals or alternatives. A debate of the technical report should produce action proposals.
3. If the recommended action involves one or more countries, the IGAD/LA Secretariat should initiate conversations; if two or more agencies

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are involved, the IGAD/LA Secretariat should facilitate consortia arrangements, pledges of resources, etc.

4. In this regard, IGAD/LA might pick 2 or 3 national centers for which it would recommend additional external resources, in line with a specific action program with sufficient continuity to provide for sustained institutional development.
5. In conclusion, it may be wise to begin the first IGAD/LA-sponsored activities with one or two items for which one of IGAD/LA's member agencies is interested in assuming a major responsibility (and willing to allocate funds for the necessary studies and missions).

IV. Proposal for the Role of IGAD/LA in Sponsoring Coordinated Country Investment and Technical Assistance Programs

A. Need for Country Specific Coordination

1. While the previous two proposals describe actions to be taken against a general constraint, this proposal suggests the need for increased and better coordinated efforts on a geographic level. Currently, no adequate multi-donor mechanism exists through which a country could develop a comprehensive agricultural sector strategy and investment plan and obtain a coordinated and complementary response. Investments are often not made on the basis of a systematic selection among desirable investment opportunities. Financial and technical assistance is often not well coordinated.
2. Therefore, in order to try to assure obtaining some form of assistance the recipient country may request the same or similar assistance from many donors. As a result of poor coordination, duplication of effort may exist and/or the actions of one agency may not necessarily complement those of another.
3. In a similar way, current multi-donor efforts to renew a country's economic plan usually concentrate on macro-economic issues or total resource flows. No systematic efforts have been made to obtain a coordinated multi-donor response to an agricultural investment program proposed by a recipient. If feasible, such an approach could greatly increase the effectiveness of external assistance.
4. Given these perceptions of the present situation, IGAD/LA, if asked by the countries, might help coordinate requests and investment responses in a specific country for the entire agricultural sector, in a specific geographic area, and/or with respect to a specific project. Successful coordination of efforts in an entire sector would require at the minimum the existence of the following three special circumstances:
  - a) Recipient governments would need to make a major commitment to the approach.

- b) Donor agencies would have to make major policy decisions to commit sizeable resources and sufficient manpower to make the approach successful. This would also probably involve the modification of some operating policies.
  - c) Finally, the coordinating body would need sufficient staff with experience in this type of effort to make it a success.
5. It is the feeling of the working group that while IGAD/LA might evolve its program of work in this direction, it would be advisable to initially adopt a more limited approach for a particular project or geographic area. This approach would be more manageable, and if successful, could point the way to wider cooperation at a later stage.
- B. A Possible Example of the Limited Approach: Reduction in Post Harvest Losses
1. This proposal within a proposal is offered as an example of possible action in this area. A similar outline could also be developed for other subject specific problems or on the basis of a geographic approach rather than the subject specific program outlined below.
  2. The problem of post-harvest food losses is being taken up by the worldwide group (CGFPI) and as a topic of singular importance for research by the previously mentioned international agricultural research network (CGIAR). This proposal for IGAD/LA's consideration is not intended to conflict with or detract in any way from these other efforts. Instead, it will draw from them in terms of justification, planning and technology and use these and other resources as empirical measures for program planning and implementation in a specific country.
  3. The Problem: Post-harvest losses of basic grains for example, are estimated to be between twenty to ninety percent of the standing crop. These losses include physical wastage; denaturation, rotting and molding by bacterial or fungal agents; consumption by insects and rodents; and contamination by insects, rodents, chemicals and dusts. Some physical wastage and a modest nutrient loss also occurs in milling grains for human consumption, but much of this loss is recovered through feeding the byproducts to livestock.
  4. An even greater potential loss occurs in the preparation and consumption of food in the home. Part of this loss is due to the same agents outlined above. Significant losses in food value are caused by poor diet and by wasteful or improper food preparation methods.
  5. Any coordinated approach to this problem must examine the places where losses occur, since solutions to the problem are found in a combination of location and causative agents. The following list outlines common waste areas and the costs involved in these losses:

- a) Waste areas
  - i) Field losses
  - ii) On-farm storage losses
  - iii) Warehousing losses
  - iv) Processing losses
  - v) Transportation losses
  - vi) Food preparation losses at home

- b) Costs
  - i) Nutrition
  - ii) Farm income price fluctuations
  - iii) Consumer prices
  - iv) Foreign exchange
  - v) Income distribution

6. Suggested Program Areas

The range of target groups, techniques, and resources required to mount the necessary comprehensive program transcends the capability and policy limitations of any single donor. In fact, it would appear that this array of project areas would provide ample scope for each of the IGAD/LA member agencies. There is a full scope for major investments by leading agencies, both for public construction and for relending to the private sector. A broad spectrum of technical activities is required in economic choices for pricing policies, in agricultural engineering, in extension and nutrition, and in all aspects of marketing.

The immediate target groups for these activities would include government planners; price stabilization agencies and public storage managers; private warehouses; manufacturers; truckers; and farmers at all levels of income and influence.

- 7. A comprehensive plan for work by IGAD/LA could cover some and possibly all of the following dimensions of the problem:
  - a) Formal storage system: public investment and technical assistance.
  - b) Farm storage system: technical assistance and some public investment or relending.
  - c) Private warehousing systems: relending and technical assistance.
  - d) Export-Import System: technical assistance.
  - e) Processing: relending to processors and users, technical assistance.
  - f) Transportation: some public investment, relending to truckers, technical assistance.

g) Food preparation: technical assistance.

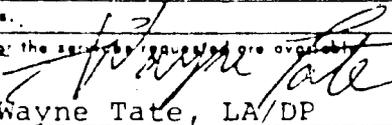
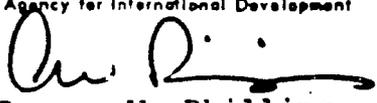
8. IGAD/LA Roles. The program areas outlined above require a central coordination if it is to be a comprehensive program which makes a significant contribution to the overall problem. Each program component requires a different type of treatment, including different types of investment and technical assistance and persuasion. The total requirements of these many projects exceed the resource capacity of any agency. The types of activities involved transcend the skills and interests of any agency.
9. At the same time, the problem is one which requires a concerted effort. Not only is it important in scope, but its parts are related. Reduction in losses at the farm level will have repercussions on storage facilities, prices, manufacture, export trade, etc. Failure to control contamination at the farm level will lead to difficulties later. Finally, the perception of the problem on the part of both donor agencies and host country will be much enhanced if all can see this as part of a coordinated attack. The psychological importance of mutual reinforcement is significant to successful planning, budgeting and implementation.
10. Given these considerations, IGAD/LA's plan of work could be operationalized in much the same way as suggested in the proposals for research and manpower training. First, there would be activities of program design to be carried out by one or more of IGAD/LA's member agencies. This would include a definition in precise terms of the problem along with an assessment of available technology, local institutional capacity, and local interest. Of course, the end result would be a project description and costing.
11. After this program design has been reviewed, IGAD/LA could help in coordination and brokerage activities. These should determine donor agency intentions, capabilities, constraints and establish commitments.
12. Finally, IGAD/LA with the above program and commitments in hand can pursue promotional activities that would create (among both donor agencies and recipient countries) a sense of an unified program.

#### V. Concluding Remarks

The constraints holding back a dynamic development of the agricultural sector of countries served by IGAD/LA's member agencies are numerous and of a complex nature. They have been well documented in many sources.

This report reflects our present thinking as to how IGAD/LA can begin to confront some of the problems. Given the desire to begin work in areas where IGAD/LA's composition offers it an advantage over other mechanisms, three possible program areas have been presented. Assuredly other possibilities exist and should be discussed. Hopefully, these proposals signal the beginning of a concerted and coordinated effort to achieve the objectives for which the Group was created.

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AID 1587-1X (9-70)  PIO/T	DEPARTMENT OF STATE AGENCY FOR INTERNATIONAL DEVELOPMENT  <b>PROJECT IMPLEMENTATION          ORDER/TECHNICAL          SERVICES</b>	1. Cooperating Agency <b>LA Regional</b> 2. PIO/T No. 598-575-1-6567088 3. <input checked="" type="checkbox"/> Original or Amendment No. _____ 4. Project/Activity No. and Title 598-11-190-575 4p International Group for Agricultural Development in Latin America and the Caribbean (IGAD/LAC)	Page 1 of 4 Pages																																			
<b>DISTRIBUTION</b>	5. Appropriation Symbol 72-11x1023		6.A. Allotment Symbol and Charge 402-65-598-00-69-61																																			
	7. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Subobligation		8. Funding Period (Mo., Day, Yr.) From 6/18/76 to 12/31/76																																			
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	10.B. Authorized Agent SER/CM/ROD		PD-AAF-104																																			
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">Estimated Financing</th> <th>(1)</th> <th>(2)</th> <th>(3)</th> <th>(4)</th> </tr> <tr> <th colspan="2">\$1.00 =</th> <th>Previous Total</th> <th>Increase</th> <th>Decrease</th> <th>Total to Date</th> </tr> </thead> <tbody> <tr> <td rowspan="2">11. Maximum A.I.D. Financing</td> <td>A. Dollars</td> <td style="text-align: center;">--</td> <td style="text-align: center;">56,000</td> <td style="text-align: center;">--</td> <td style="text-align: center;">56,000</td> </tr> <tr> <td>B. U.S.-Owned Local Currency</td> <td style="text-align: center;">--</td> <td style="text-align: center;">--</td> <td style="text-align: center;">--</td> <td style="text-align: center;">--</td> </tr> <tr> <td rowspan="2">12. Cooperating Country Contributions</td> <td>A. Counterpart</td> <td style="text-align: center;">--</td> <td style="text-align: center;">--</td> <td style="text-align: center;">--</td> <td style="text-align: center;">--</td> </tr> <tr> <td>B. Other</td> <td style="text-align: center;">--</td> <td style="text-align: center;">--</td> <td style="text-align: center;">--</td> <td style="text-align: center;">--</td> </tr> </tbody> </table>					Estimated Financing		(1)	(2)	(3)	(4)	\$1.00 =		Previous Total	Increase	Decrease	Total to Date	11. Maximum A.I.D. Financing	A. Dollars	--	56,000	--	56,000	B. U.S.-Owned Local Currency	--	--	--	--	12. Cooperating Country Contributions	A. Counterpart	--	--	--	--	B. Other	--	--	--	--
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	B. Other	--	--	--	--																																	
13. Mission References	14. Instructions to Authorized Agent <p style="text-align: center;">SER/CM is requested to write a grant document with Executive Vice President Reuben Sternfeld, Inter-American Development Bank, 808 17th Street, N.W., Washington, D. C. 20577</p> <p>The functions and estimated budget of IGAD/LAC are described in the attached documents: (1) IDB document AT-322 of 1/8/76; (2) Basic Working Document for IGAD/LAC Inaugural Meeting of 5/14-16/76 (IGAD/LAC document RCC 3/76).</p>																																					
15. Clearances - Show Office Symbol, Signature and Date for all Necessary Clearances.																																						
A. The specifications in the scope of work are technically adequate  Daniel Chaij, LA/DR (draft) 6/7/76		B. Funds for the activity requested are available  F. Wayne Tate, LA/DP 6/18/76																																				
C. The scope of work lies within the purview of the initiating office and approved Agency Programs Jacob Krulfeld, LA/MRSD Priscilla Boughton, LA/MRSD 6/18/76																																						
E.		F.																																				
16. For the <del>cooperating country</del> Grantee: The terms and conditions set forth herein are hereby agreed to  Signature and date: _____ Title: _____		17. For the Agency for International Development  Signature: George W. Phillips Title: Acting AAA/LA/MRSD		18. Date of issuance 6/18/76																																		

AID 1350-9X (9-70)	Cooperating Country LA Regional	PIO/T No.	Page 2 of 4 Pages
PIO/T	Project/Activity No. and Title 598-11-190-575 International Group for Agricultural Development in Latin America and the Caribbean (IGAD/LAC)		

**SCOPE OF WORK**

**19. Scope of Technical Services**

**A. Objective for which the Technical Services are to be Used**

To overcome constraints to agricultural development in Latin America and the Caribbean.

**B. Description**

The proposed grant is to provide up to \$56,000 to IGAD/LAC to finance a portion, not to exceed one-half, of the costs of IGAD/LAC technical conferences, meetings, seminars, and short-term consultants during 1976. AID-financed services of \$8,000 have already been separately provided IGAD/LAC this year and are to be computed as part of the total AID contribution although not under this grant. Therefore, the total AID contribution is estimated at up to \$64,000 of the \$128,000 shown in Attachment A, page 5, for the budget categories of: II, Short-term consultants; and III Conferences and meetings. The \$56,000 under the present grant shall be attributed only to the costs of meetings or consultant services addressing specific problems, countries, or commodities, not to include general IGAD/LAC secretariat costs.

**C. Technicians**

(1) (a) <u>Number</u>	(b) <u>Specialized Field</u>	(c) <u>Grade and/or Salary</u>	(d) <u>Duration of Assignment (Man-Months)</u>
various	to be selected	various	various

**(2) Duty Post and Duration of Technicians' Services**

various

**(3) Language requirements**

NA

**(4) Access to Classified Information**

None

**(5) Dependents**     Will     Will Not    Be Permitted to Accompany Technician

**D. Financing of Technical Services**

**(1) By AID - \$**    --

**(2) By Cooperating Country -**    --

AID 138D-1X (9-70)  PIO/T	Cooperating Country	PIO/T No.	Page 3 of 4 Pages
	Project/Activity No. and Title		

20. Equipment and Supplies (Related to the services described in Block 19 and to be procured outside the Cooperating Country by the supplier of these services)

A. (1) Quantity    (2) Description    (3) Estimated Cost    (4) Special Instructions

None

B. Financing of Equipment and Supplies  
 (1) By AID - \$ \_\_\_\_\_ (2) By Cooperating Country - \_\_\_\_\_

21. Special Provisions

- A. This PIO/T is subject to AID ~~REGULATIONS AND REGULATIONS~~ <sup>grant</sup> regulations.
- B. Except as specifically authorized by AID, or when local hire is authorized under the terms of a contract with a U.S. Supplier, services authorized under this PIO/T must be obtained from U.S. sources.
- C. Except as specifically authorized by AID/W, the purchase of commodities authorized under this PIO/T will be limited to the U.S. under Geographic Code 000.
- D. Other (specify): \_\_\_\_\_

AID 1350-1X (8-83)	DEPARTMENT OF STATE AGENCY FOR INTERNATIONAL DEVELOPMENT  PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES	<input checked="" type="checkbox"/> Worksheet <input type="checkbox"/> Issuance	PAGE 4 OF 4 PAGES
		Cooperating Country LA Regional	PIO/T No.
		Project/Activity No. and Title	

25. Reports by Supplier of Services (Indicate type, content and format of reports required, including language to be used if other than English, frequency or timing of reports and any special requirements)

IGAD/LAC shall submit to the AID Liaison Officer one annual report confirming that the AID grant has been expended in conformity with the grant agreement. This report will list the activities carried out under Budget categories II and III and their costs, and describe them adequately to demonstrate that: (A) the AID grant does not exceed 50 percent of their total cost, and (B) that the costs attributable to the AID grant meet the criteria listed in Block 19B.

26. Availability of Background Information (Additional information useful to Authorized Agent and Prospective Suppliers; if necessary, cross reference Block 21.B(3) above)

IGAD/LAC conference and meeting reports

27. Relationships of Supplier to Cooperating Country and to AID.

A. Relationships and Responsibilities

Grant

B. ~~XXXXXXXXXX~~ Liaison Official

Julian Rodriguez-Adame,  
Coordinator, IGAD/LAC

C. AID Liaison Officials

Priscilla M. Boughton, ARA-LA/MRSD

AA/LA DATE DUE 6/11  
DATE REC'D 6/10/76

5980575 (14)  
PD-AAF-104

DEPARTMENT OF STATE  
AGENCY FOR INTERNATIONAL DEVELOPMENT

June 10, 1976

NOTE TO: LA/MRSD, Ms. Boughton

Please clarify that it is subject to availability of funds and congressional approval.

AA/LA, Herman Kleine

Attachment:  
Rodriguez Adame-Kleine letter, 6/7/76,  
re U.S. contribution to IGAD/LA

cc: LA/DP, Mr. Morris



3 p

*Handwritten note:* by [unclear]

*Handwritten note:* [unclear] of [unclear] [unclear] [unclear]

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Adame  
IGAD/LA



GRUPO INTERNACIONAL PARA EL DESARROLLO AGRICOLA EN AMERICA LATINA  
 INTERNATIONAL GROUP FOR AGRICULTURAL DEVELOPMENT IN LATIN AMERICA  
 Washington, D.C. 20577



Cable: INTAMBANC

June 7, 1976.

Mr. Herman Kleine  
 Assistant Administrator  
 Bureau of Latin America  
 Agency for International  
 Development  
 320 21st. Street, N.W.  
 Washington, D.C.

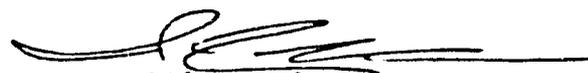
*It is clearly understood that the subject to successful financing of IGAD/LA projects is being afforded*

Dear Mr. Kleine:

I wish to acknowledge your announcement at the recent Meeting of Consultation of IGAD/LA with the Latin American Ministers of Agriculture to the effect that the government of the United States is disposed to contribute \$200,000.- over a three-year period to IGAD/LA projects falling within the approved plan of operations, as contained in IDB Document AT-322 of January 8, 1976. As noted in that document, the United States contribution would fund short-term consultants and conferences and meetings of a technical nature. The contribution would thus amount to \$64,000.- for 1976, equivalent to the sum allocated for these purposes under items II and III of the approved budget. 1/2

As Coordinator General of IGAD/LA I wish to express our thanks to the government of the United States for its contribution and the excellent cooperation we have received from your office in getting our programs started. We are ready to receive these funds, once appropriate agreements have been formalized through the intermediary of the Inter-American Development Bank.

Sincerely,

  
 Julián Rodríguez Adame  
 General Coordinator, IGAD/LA

Return to  
JKrulfeld, LA/MRS.

to  
file: 1000

BUD

16 JUN 1976

Mr. Julian Rodriguez Adame  
General Coordinator, IGAD/LAC  
Inter-American Development Bank  
808 17th Street, N.W.  
Washington, D. C. 20577

Dear Mr. Rodriguez Adame:

I am pleased to inform you that A.I.D. has already notified the Congress of our intent to grant IGAD/LAC the sums mentioned in your letter of June 7, 1976.

Subject to Congressional approval and the availability of funds, we hope that in the next few weeks we will be able to sign a grant agreement with the Inter-American Development Bank for the 1976 A.I.D. contribution of \$56,000. The \$8,000 already funded by A.I.D. for Mr. Charles Ford's service to IGAD/LAC and this grant will provide up to one half of IGAD/LAC's 1976 budget for short-term consultants, conferences and meetings of a technical nature.

Sincerely,

/s/ Herman Kleine

Herman Kleine  
Assistant Administrator  
for Latin America and  
Deputy U.S. Coordinator

cc: SER/COM/ROD:DAIter

LA/MRSD:JKrulfeld:rs:6/15/76  
x29434

Clearances: LA/DP:WTate (draft)  
LA/DR:DChaij (draft)  
LA/MRSD:PLansdale 1  
LA/MRSD:GWPhillips

## IGAD/LAC Annual Report for 1976 - Talking Points

- 3p
- A. The report is well written and effectively represents activities which were considered and approved during the year.
- B. The breadth of IGAD's proposed "Program and Budget Projection, 1977" raises serious questions. For maximum impact, and to make possible IGAD appraisal by the donor agencies before the end of CY 1977, we believe the Plenary Meeting should henceforth approve each specific project to be undertaken by the Secretariat. The Secretariat should make no commitments without Plenary Meeting authorization.
- C. In considering Secretariat proposals for new activities, the following principles are suggested to govern decisions of the Plenary Meetings:
- Projects should only be undertaken if results will be demonstrable by the beginning of the fourth quarter of CY 1977.
  - No project should be undertaken which will depend on subsequent activity, later than in 1977, to produce identifiable donor investment opportunities or investment-related solutions.

In addition, selection of projects should be chosen on the basis of previously agreed criteria, which are:

- activities addressing priority constraints to agricultural development;
  - activities desired by a country or group of countries suitable for multilateral action; and
  - activities not properly addressed by existing institutional arrangements.
- D. Among the specific proposals for IGAD/LAC action, the following appear to be suitable for IGAD support as indicated:

1. Post-harvest losses in Central America and Panama. The second phase of this study is under way and should be supported as consistent with the criteria.

2. Caribbean projects. If projects identified by the two-man IGAD mission last year meet the criteria, the Plenary Meeting could support their preparation by IGAD leading to international support.

3. Aftosa Control. Only if the Argentine Government's project for aid to the Castelar Center indicates stages of assistance which could be accomplished within a definite number of months should this be supported.

4. Food plans. Assistance in the development of a food plan for Honduras has already been initiated by the Secretariat on the basis of its consultations with and mandate to cooperate with CGFPI; the Plenary Session should endorse it. Haiti, on the other hand, has not been undertaken yet. Haiti does not have adequate analytical data on the agriculture sector (AID is proposing a sector study for FYs 1978-80). The dearth of necessary statistics would preclude support for IGAD efforts to mount a food plan which could lead to results within CY 1977.

5. Secretariat participation in meetings. Secretariat participation in international and regional meetings is justifiable when there is direct relationship with specific, approved IGAD/LAC projects, or when it is a vehicle for project development in the multidonor forum. At such meetings, of course, the Secretariat should make no commitments not supported by Plenary Meeting authorizations.

E. Other project proposals contained in the 1976 Annual Report do not appear suitable for implementation by IGAD/LAC within the parameters cited above:

1. Information Systems. In the absence of an SSIE project proposal limited to a pilot operation to mount an exchange system for on-going agricultural research in Central America, which would be tied to IICA's facilities there, the Plenary Group should not support Secretariat efforts to develop this information system.

2. Donor assistance information. The Annual Report does not describe the scope of its on-going information collation services on donor agriculture assistance. Unless authorized by the donor members, the Secretariat should not try to develop the necessary files to respond to such requests as that which it met from CIDA last year.

3. Subregional and country meetings. The proposed meetings with governments would not fulfill the criteria outlined above. Because it may be difficult to preclude them, the donors should consider careful involvement in Secretariat preparations for each, and make clear that no IGAD commitments could be made at such meetings without specific Plenary Session concurrence. The Secretariat could refer project proposals resulting from such sessions to other agencies if appropriate.

4. Medfly. Further IGAD activity in the relationship between USDA and the Mexican or other governments on Mediterranean Fruit Fly control is not appropriate.

5. Symposium on Regional Food Reserves. Careful preparation for such a conference would take a number of man-months. It would require previous donor agency involvement so as to anticipate resulting funding requirements. It could be held under other sponsorship. It would not lead to investment-related solutions within this calendar year. The Plenary Meeting should not support it.

6. Technical Fertilizer Seminar. The purpose of this seminar on production and use of fertilizers, to be held in Latin America, is unclear.

To be meaningful, the donor agencies should contribute experts to identify and prepare for the desired outcome of such a seminar. The donors have not sought it. Furthermore, because of difficulties in obtaining international support for the IFDC at Mussell Shoals, there is doubt that such support could be readily obtained. Fertilizer production and use is a technically complex matter which existing institutions are better staffed to sponsor. The Plenary Meeting should not support the IGAD initiative in this area.

7. Horizontal Technical Assistance. Only if specific, small, and well described projects are presented, which are not duplicative of efforts or capabilities of IICA, IDB, OAS or other agencies, could IGAD consider supporting proposals in this area, and then, under the proposed criteria, only if they could produce demonstrable results within the year.

5980575 (16)

Present,

INTERNATIONAL GROUP FOR AGRICULTURAL DEVELOPMENT  
IN LATIN AMERICA AND THE CARIBBEAN (IGAD/LAC)

PD-AAF-104 1p

The Board of Directors of the Inter-American Development Bank (IDB) approved a plan of operations for the new hemispheric agricultural group in January, 1976. Such a consultative group had been proposed by Secretary Kissinger the previous March.

The International Group for Agricultural Development is a forum for discussion of agricultural development in the Latin American and Caribbean nations, and an instrument of coordination which the Ministers of Agriculture and the donor agencies may use to expand and improve the utilization of resources in the sector.

Donor members include the IDB, the World Bank, and AID, all of which have made voluntary budgetary contributions. Others are the Organization of American States, the Inter-American Institute for Agricultural Sciences, UNDP, FAO, the Consultative Group for Food Production and Investment, and Canada's International Development Agency. Countries which are members of the IDB participate through their Ministers of Agriculture.

IGAD/LAC's First Consultative Meeting with the Ministers took place in Mexico in May, 1976. It endorsed lines of action for IGAD to follow in three main fields: (1) training of agricultural manpower, (2) support of agricultural research; and (3) coordinated country investment, notably in post-harvest loss reduction. It reaffirmed the view that IGAD should not create a new bureaucracy and that its major focus should be the identification of investment and technical assistance projects suitable for multidonor solutions and not otherwise adequately addressed.

During the remainder of 1976, however, IGAD has made little progress in identifying specific activities to pursue. Consultants were sent to Central America and Panama to identify programs, including technical assistance, to up-grade post-harvest technology and reduce post-harvest losses, particularly of cereal grains and legumes. Their report should be ready during the first quarter of 1977. IGAD has also begun work with the Consultative Group for Food Production and Investment on preparation of a food plan.

We have consulted informally in early 1977 with the World Bank and the IDB on progress and prospects of IGAD to fulfill the objectives for which it was created. The IDB's authorizing resolution calls for assessment after two years, or at the end of 1977. An early Plenary Meeting will review guidelines for IGAD undertakings, and will consider adding the limitation that projects should be undertaken only if they can have demonstrable results by that time. Some kind of Working Group would consider alternative next steps.

AID contributed \$64,000 in FY 1976 and is expected to provide \$69,000 in FY 1977, or half of the budget for consultants and conferences and meetings. The other minor donor is the World Bank which provided \$50,000 last year. The IDB provides the balance of IGAD's \$375,000 - \$395,000 annual budget.

5980575(17)

PD-AAF-104

Mr. Reuben Sternfeld,  
Executive Vice President  
Inter-American Development Bank  
808 - 17th Street, N.W.  
Washington, D.C. 20577

Dear Mr. Sternfeld:

PURSUANT to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to the Inter-American Development Bank (hereinafter referred to as "the IDB" or "Grantee") the sum of \$56,000 to provide support to the International Group for Agricultural Development in Latin America and the Caribbean (IGAD/LAC) as more fully described in the attachment to this Grant entitled "Program Description."

This Grant is effective as of January 1, 1976 and shall apply to commitments made by the Grantee in furtherance of program objectives during the period from said date through December 31, 1976.

This Grant is made to the IDB on condition that the funds be administered in accordance with the terms and conditions as set forth in Attachment A entitled "Program Description," and Attachment B entitled "Standard Provisions," which have been agreed to by your organization.

Please return six (6) copies of this Grant to Mrs. Phoebe Lansdale, Chief of Lending Coordination for the Bureau for Latin America.

Sincerely yours,

E. W. S. Girard II  
Assistant Administrator  
Bureau for Latin America

**Attachments:**

- A. Program Description
- B. Standard Provisions
- C. Payment Provision

Accepted:

IDB - Inter-American Development Bank

Signature: \_\_\_\_\_

Typed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Clearances:

GC/LA:JKessler \_\_\_\_\_

GC/C:RPerkins \_\_\_\_\_

AG/HCrommer \_\_\_\_\_

LA/DR:DChaij \_\_\_\_\_

cc AG/OC/PR:ELinck

SER/FMcKeel

LA/MRSD:PLansdale:jsb:2/16/77

5980575 (18)

PD-AAF-104 US Contribution

ROUTING SLIP				CLASSIFICATION Unclassified		
				DATE 2/17/77		
TO:	Name or Title	Organ. Symbol	Room No.	Bldg.	Initials	Date
1.	LA/GC, Judd L. Kessler					
2.						
3.						
4.						
5.						
<input type="checkbox"/>	Approval	<input type="checkbox"/> For Your Information		<input type="checkbox"/> Note and Return		
<input type="checkbox"/>	As Requested	<input type="checkbox"/> Initial for Clearance		<input type="checkbox"/> Per Conversation		
<input type="checkbox"/>	Comment	<input type="checkbox"/> Investigate		<input type="checkbox"/> Prepare Reply		
<input type="checkbox"/>	File	<input type="checkbox"/> Justify		<input type="checkbox"/> See Me		
<input type="checkbox"/>	For Correction	<input type="checkbox"/> Necessary Action		<input type="checkbox"/> Signature		
REMARKS OR ADDITIONAL ROUTING						
<p>Attached, as requested, is the retyped Grant to IGAD, the hemispheric agricultural group. If it looks ok to you, I understand that you will obtain H. Cromer's clearance in the AG, and send a copy to McKeel in SER/FM, under the attached buckslip, and you will obtain Girard's signature. Barbara Upton in MRSD can arrange to get this to IDB somehow other than by mail if you think that is too slow to suit Otero there.</p> <p>Many thanks for unraveling this mess.</p>						
FROM: (Name and Org. Symbol) LA/MRSD, Plansdale				ROOM NO. & BLDG. 3929	PHONE NO. 29354	
CLASSIFICATION Unclassified						

3p

50133-101

U.S. GOVERNMENT PRINTING OFFICE: 1976-623-240

OPTIONAL FORM 133 (FORMERLY JF-29) JANUARY 1972 STATE - AID - 3872

ROUTING SLIP				CLASSIFICATION	
				Unclassified	
TO:				DATE	
Name or Title	Organ. Symbol	Room No.	Bldg.	Initials	Date
1. SER/FM, Wayne McKeel					
2.					
3.					
4.					
5.					
Approval	For Your Information	Note and Return			
As Requested	Initial for Clearance	Per Conversation			
Comment	Investigate	Prepare Reply			
File	Justify	See Me			
For Correction	Necessary Action	Signature			
REMARKS OR ADDITIONAL ROUTING					
<p>The attached Grant to IDB for the hemispheric agricultural group (IGAD/LAC) is in substitution for the obligating document already on record.</p>					
FROM: (Name and Org. Symbol)			ROOM NO. & BLDG	PHONE NO.	
LA/MRSD, Plansdale			3929	632-9354	
CLASSIFICATION Unclassified					

50133-101

OPTIONAL FORM 133 (FORMERLY JF-79)

U.S. GOVERNMENT PRINTING OFFICE: 1976-623-240

JANUARY 1977  
STATE - AID - USA

2/16/77

Judd Kessler      LA/GC

Herewith, as requested.

Note: we omitted the "subject" of the letter  
for, really, stylistic reasons.

We find no "Statement of Assurance of Compliance" for IDB to sign. Where is it?

We've changed IGAD/LA to LAC in all cases  
(we trust) to conform to its correct name.

We've shown clearances on the yellow, most  
of which I assume you will sign in as  
"informed", or "substance."

We have omitted the date (2nd para.) On p.3  
of Attachment A, should we say "this FY" as  
you proposed, or "during FY 1976"?

Phoebe Lansdale, LA/MRSD  
Unclass

3929

29354

1. The Working Group initially was expected to discuss the design of a region-wide system of information coordination. The material provided by the Secretariat was based on the idea that the member agencies would submit information to the Secretariat on all their on-going projects and "pipeline" requests on a quarterly basis to coordinate programs.
2. As the discussion progressed, it became evident that the Working Group members had a number of reservations about the need for proceeding with an across-the-board survey of agency activities at this time.
3. The Working Group felt that before launching any surveys, three principles should be maintained in regard to information exchange:  

First, the information activities should form a relatively minor portion of the staff time and budget of the Group.

Secondly, information gathering activities of the Group should be oriented to specific lines of work in which IGAD is expected to play a major role. It is therefore important that the scope, format, and detail of any information systems undertaken and maintained by the Secretariat be closely related to the intended use by the Group.

Third, if a major survey is to be undertaken, it should first be tried out on a limited scale before the final design.
4. In this respect, the task of the Working Group on information should be closely related to the recommendations which will be made by the second Working Group appointed to select priority topics for study and also to subsequent preparatory committee decisions on the initial work program for IGAD/LA.

5. For example, IGAD/LA may decide to focus on a specific geographic area, such as Central America, where a series of tripartite sector studies have been completed. In this case, it would be very appropriate for the Secretariat to collect information on existing projects and pipeline requests, as a basis for discussions with the recipient government for a better focused and coordinated external assistance program. Such an effort could also serve as a pilot project for possible use elsewhere. In the process, the type of information needed for this type of exercise could be refined.
6. As a second, topical rather than country-oriented example, IGAD/LA may be called upon to work in some key aspects of rural development. In this case, the Secretariat would be called upon to collect and collate relevant information. In either case, the nature and format of the data requirements should be tailored to the specific topic.
7. The Working Group agreed that for the present IGAD/LA information gathering activities should focus on the above types of specific actions and not on a region-wide system covering all agency programs. They felt that a region-wide system is likely to absorb a high proportion of staff time. Moreover, unless the data is analyzed, in the context of country priorities and domestic investment, it would be difficult to draw valid conclusions.
8. The above observations should not preclude as a possibility the provision by members of IGAD/LA to the Secretariat information that would indicate the magnitudes of their past and prospective investments in agricultural development as a tool for observing the "topography" of the work of the agencies in the countries. This would rely on existing information, of course, should involve a minimum of effort by the Secretariat and the agencies, and if it proves useful, could be revised periodically.

9. In the light of the above considerations, the Working Group suggests that it should reconvene after the initial program of IGAD/LA has been determined in order to discuss the relevant design of an information gathering and exchange system.

## TERMINOS DE REFERENCIA

### Para la ejecución del programa de información interagencial

Como es de su conocimiento, en la reunión interagencial del día 19 de enero de 1976, se decidió establecer un grupo de trabajo integrado por representantes de FAO, CGFPI, BID, IICA y AID, el cual se encargará de común acuerdo con la Secretaría de GIDA, de establecer las bases e instrucciones encaminadas a lograr forma final en lo que respecta a:

- 1) Diseñar el formato de las planillas requeridas para recolectar información referente a proyectos de inversión, de cooperación técnica y de capacitación.
- 2) Redactar las instrucciones a las cuales se ajustaría el suministro de información tanto de los donantes como de los recipientes y las contribuciones respectivas.
- 3) Diseñar el formato estableciendo la oportunidad y funcionamiento del intercambio de información referente a proyectos no aceptados por las respectivas agencias.
- 4) Convenir la propuesta nomenclatura a utilizar.
- 5) Establecer el mecanismo de intercambio de información de los "pipelines" y el origen de las solicitudes, dando cuenta de la existencia de agencias puente.

Para la realización de su cometido deberá tomar en cuenta que el propósito de este intercambio está destinado a asegurar mayor y mejor coordinación en el esfuerzo realizado por las diferentes agencias en la acción ejercida por cada una de ellas.

Asimismo, será necesario considerar las labores realizadas y la experiencia recogida por la oficina del Coordinador General en estos aspectos.

PAIS:                    PLANILLA POR COOPERACION TECNICA

re Pro s y ación ráfica	M o n t o		Descripción ción y Ob- jetivos	Tipo Proyec to (1)	Duración Previsible de Ejecu- ción	Agencia(s) Partici- pante(s)	Modali- dades Opera- tivas	Segui- miento	Condi- ciones Finan- cieras(2)	Tipo de Contra- parte	Comentarios
	Agencias	Costos Locales									

(1) Ver Nomenclatura.

(2) Plazo, fondos, interés, recuperación no contingente, donaciones, etc.



PAIS:            PLANILLA POR INVERSIONES

Proyecto y Descripción	M o n t o		Propósito	Beneficios a obtener	Tipo de Proyecto (1)	Duración Previsible Ejecución	Agencia(s) Participante (s)	Condiciones Financieras (2)	Comentarios
	Agencias	Costos Locales							

(1) Ver Nomenclatura

(2) Plazo, fondos, interés, recuperación no contingente, donaciones, etc.

(\*) Oportunamente se aclarará el significado exacto de cada columna.

Notes  
5980575 (20)  
PD-AAF-104  
Mrs. Broughton  
Better late than  
never? Eij

Proposal for the Role of IGAD/LA in Sponsoring  
Coordinated Country Investment Programs

- A. Desirability of country specific coordination.
1. Currently, no mechanism exists through which a country could develop a comprehensive agricultural sector strategy and investment plan and obtain a coordinated and complementary response from the major donors in the hemisphere. Donors often do not make investments on the basis of a systematic selection among desirable investment opportunities. Instead they may become involved in specific projects on a much more haphazard basis.
  2. In order to try to assure obtaining some form of assistance, the recipient country may request the same or similar assistance from many donors. Accordingly, several donors may be working in one field. However, their project selection criteria and policies may be quite different. Coordination may be poor. In some cases, duplication of effort may exist. Worse still, the actions of one agency may undermine those of another.
  3. Current multi-donor efforts to renew a country's economic plan usually concentrate on macro-economic issues or total resource flows. As yet, no systematic efforts have been made to obtain a coordinated multi-donor response to an agricultural investment program proposed by a recipient. If feasible, such an approach could greatly increase the effectiveness of foreign assistance.

.10p

4. IGAD/LA might play such a role in a specific country for the entire agricultural sector, for a specific geographic area, for a special project.
5. Successful coordination of effort for an entire sector would require special circumstances. The recipient government would have to make a major commitment to the approach. Donor agencies would have to make major policy decisions to commit sizeable resources and sufficient manpower to make the approach worthwhile. They would also have to be prepared to consider modifying some operating policies. The coordinating body would need sufficient staff with experience in this type of effort to make it a success. While such an approach might be suggested for future IGAD/LA action, these conditions do not yet appear to exist.
6. A more limited approach could be adopted for a particular project or geographic area. Such an approach would be much more manageable, and if successful, it could point the way to wider cooperation at a later stage. The project approach is discussed below. A similar outline could be developed for a geographic area.

Country Investment Program - Subject Specific

Reduction in Post Harvest Losses of Basic Grains <sup>1/</sup>

A. Basic Nature of Problem. Post Harvest losses of basic grains are estimated to amount to twenty to ninety percent of the standing crop, depending on the conditions to which the grains are subjected. These losses include physical wastage; denaturation, rotting and molding by bacterial or fungal agents; consumption by insects and rodents; and contamination by insects, rodents, chemicals and dusts; (Some physical wastage and a modest nutrient loss also occurs in milling grains for human consumption, but much of this loss is recovered through feeding the byproducts to livestock.)

An even greater potential loss occurs in preparation and consumption of food in the home. Part of this loss is due to the same agents outlined above (wastage, denaturation, consumption, contamination). Significant losses in food value are caused by illness (fevers consume calories), by poor diet (incomplete proteins are wasted unless complemented in the diet by other proteins with the missing essential amino acids), and by wasteful or improper food preparation methods.

1. Waste Areas. It is useful to examine the place where losses occur, since the solution to the problem is found in a combination of location and causative agent.

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<sup>1/</sup> See foot note on following page.

- a. **Field losses.** Poor harvesting methods shatter and disperse grain.
- b. **On-Farm storage losses.** Much grain is contaminated in the field by insects which proliferate in the stored grain. The inadequate storage facilities on most small farms, and the lack of fumigation, rodent control and moisture control has led to losses of 25 to 75 percent in small farm storage.
- c. **Warehousing losses.** Much grain is lost in commercial warehouses, particularly in flat storage of bags of grain. Such storage is frequently not soundly constructed and becomes contaminated by years of use.

---

1/ The problem of post harvest food losses is being taken up by the worldwide group (CCFPI). It is also being considered as a topic of singular importance for research by the international agricultural research network (CGIAR). This proposal for ICAD consideration is not intended to conflict with or detract in any way from these other efforts. Instead, it will draw from them in terms of justification, planning and technology, using these and other resources to establish an empirical test of program planning and implementation in a specific country.

- d. **Processing losses.** In addition to the necessary milling losses associated with preparing grain for human consumption, improper milling equipment leads to unnecessary losses through excess breakage, abrasion, screening and separation. Manufacturers also add to these losses through improper handling and preparation. Livestock feeders waste grain by feeding unbalanced rations and other improper feeding practices. All three - millers, manufacturers and feeders - add to physical loss and other forms of wastage by poor storage.
- e. **Transportation losses.** At each stage in the process of getting the grain out of the field, to miller, to manufacturer, to wholesaler, to retailer, to home, transportation losses are added. These transportation losses are the result of poor containers, poor equipment or poor handling, and are subject to correction. For example, bulk handling with properly designed equipment can reduce both physical and economic losses.
- f. **Food preparation losses at home.** Most of these losses are due to the preparation of unbalanced meals, or wasteful preparation practices, including excess preparation.

## 2. Costs

- a. Nutrition
- b. Farm income-price fluctuations
- c. Consumer prices
- d. Foreign exchange
- e. Income distribution

**B. Possible Program Areas.** The following program areas indicate the breadth and scope of a comprehensive program to control post harvest grain losses. It is obvious that the range of target groups, techniques, and resources required to mount such a comprehensive program transcends the capability and policy limitations of any single donor. In fact, it would appear that this array of project areas would provide ample scope for each of the IGAD member agencies. There is full scope for major investments by leading agencies, both for public construction and for relending to the private sector. A broad spectrum of technical assistance activities is required in economic choices and pricing policies, in horticultural engineering, in extension and nutrition, and in all aspects of marketing. The immediate target groups of these activities include government planners, price stabilization agencies and public storage managers, private warehousemen, manufacturers, truckers, and farmers, at all levels of income and influence.

Each of these projects will of course have to be reviewed to determine its economic technical and cultural feasibility. The allocation of these activities among the IGAD members will have to be preceded by consultation with each to determine capacity, interest and limitations. These subjects are discussed under C and D, below:

1. **Formal storage system (public investment, TA)**
  - a. Construction, improvement, expansion
  - b. Management, handling
  - c. Pricing
2. **Farm storage system (TA and some public investment or relending)**
  - a. Physical improvement
  - b. Fumigation and/or drying
  - c. Information transmission
3. **Private warehousing system (relending and TA)**
  - a. Physical improvement of facilities and equipment
  - b. Improved grain handling practices
4. **Export-Import system (TA)**
  - a. Direct returns to improved management
  - b. Rationalized market structure
  - c. Improved regional trading arrangements
5. **Processing (relending to processors and users, TA)**
  - a. Mill improvement
  - b. Better food technology
  - c. Better feeding practices
6. **Transportation (some public investment, relending to truckers, TA)**
  - a. Truck improvement, bulk handling facilities
  - b. Transportation fees vs. commercialization
7. **Food Preparation (TA)**
  - a. In the home
  - b. Improving grain use in diet

C. **IGAD Roles.** The program outlined above requires a central coordinator if it is to be a comprehensive program which makes a significant contribution to the overall problem. The problem of post harvest losses deals with a problem which is dispersed in time and space over a wide variety of stages, organizations, individuals, and conditions. These subproblem areas require different types of treatment, including different types of investment and technical assistance and persuasion. The total requirements of these many projects exceed the resource capacity of any agency. The types of

activities involved transcend the skills and interests of any agency. The variety of activities required and the different target groups involved exceed the policy, program and administrative interests of any group.

At the same time, the problem is one which requires a concerted effort. Not only is it important in scope, but its parts are related. Reduction in losses at the farm level will have repercussions on storage facilities, prices, manufacture, export trade, etc. Failure to control contamination at the farm level will lead to difficulties later. Finally, the perception of the problem on the part of both donor agencies and host country will be much enhanced, if all can see this as part of a coordinated attack. The psychological importance of mutual reinforcement is significant to successful planning, budgeting and implementation.

1. Program Design - study
  - a. Problem definition
  - b. Available technology
  - c. Local institutional capacity
  - d. Local interest
  - e. Project description and costing
2. Program brokerage - study and clearance - coordinate with
  - C. 1.
    - a. Determine donor Agency intent, capability, constraints
    - b. Establish donor agency commitment.
3. Promotional - create sense of unified program
  - a. Among donor agencies
  - b. Among recipient agencies
  - c. Assistance in funding/budgetary process
4. Evaluation

D. Scenario. In carrying out its roles in design, program brokerage, promotion and evaluation, IGAD will be heavily dependent on its members

for resources. At this point in time, IGAD had a very limited staff. Although this staff will undoubtedly grow with IGAD success, it may never become sufficiently strong and diverse to be able to perform detailed planning, much less implementation. IGAD must seek to establish itself initially as a forum for conceptualization and commitment, with its individual members agreeing to carry out the various tasks of a program.

There are a number of options available to IGAD and its members in doing this sort of thing:

1. IGAD can remain only as a forum, with a tiny staff, with each agency using the forum as a means of informing others of its intent, and as a locus of commitment.

2. IGAD can become the manager of project working groups with each member agency assigning personnel on a life-of-the-project basis. Agency staff members assigned to the working group would be responsible for helping plan an overall program and acting as liaison with their respective agencies.

3. Member agencies can allocate funds to IGAD for contracting for studies and/or expanding in-house staff to perform program planning.

In each case, individual member agencies will be responsible for the actual implementation for their project assignments in the investment/technical assistance program. IGAD must act through its

staff in liaison with individual agencies and with formal agreements to secure the commitment of each agency for each project, in order to be able to mount a comprehensive program.

Proposal for the Role of IGAD/LA in  
Support of Agricultural Research

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A. Major Concerns and Problem Areas

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1. The work of the International Research Centers and the growing body of research in the developed countries is not yet properly linked up with national systems in Latin America. By and large, internationally available research results are not carried through local adaptation, testing and application. In fact, such a gap seems to exist even within the national context between the central research establishment and the field.

2. Perhaps the most urgent need, in which the greatest short-term advances could be made is in the area of locally relevant testing, demonstration and dissemination of research results in a form suitable for immediate application by large numbers of small farmers.

3. National research systems are chronically under-financed. Their budgets have relatively low priority with finance ministries and political leaders.

4. National research organizations are frequently weak and fragmented. Even where a relatively unified research system exists, the linkage between research extension and other services remains poor. Experience has shown that building up a central research institution by itself is insufficient.

5. There is acute shortage of trained national staff at all levels. Equally important are the conditions of employment, permanence, salaries, and incentives to attract and retain trained people.

6. Most of the stress in recent years has been on the creation of biological innovations, and on agronomic practices needed to realize the yield potential of better varieties of food crops. The stress has been on crop-specific research. So far, concerted efforts have not yet been made to produce, test and disseminate technological innovations in other aspects of agriculture and nutrition. Some of the important fields in which more work seems to be urgently needed are the following:

- a) Agricultural engineering, focused on small tools, equipment, service and maintenance facilities suitable for groups of small farmers.
- b) Improved technology for post harvest processes, such as handling, storage, transportation, grading and quality control systems.
- c) Food technology for processing, preservation, utilization of by-products and for nutritionally important innovations.
- d) Research on animal disease control and animal nutrition.

Efforts in the above fields may be directed toward national programs, multi-national networks, sub-regional research institutions, or regional centers. This could include exchange of information and personnel, among national centers. Action may involve strengthening or expanding existing institutions or creating new ones. The appropriate strategy options in each case would be determined after the necessary in-depth review of the problem area selected.

7. There is not only need for new types of research, but for better focus and application of cross disciplinary research for the solution of concrete situations. Crop-specific research is seldom complemented by work on soils, water, farm economics, etc. to provide a "systems" approach to interrelated local problems.

8. There is growing evidence that among the main reasons for the slow adoption of much available technology (both on-farm production-oriented and focused on off-farm processes) are a series of constraints of a non-technical nature. These include organizational and management issues, socio-economic incentives, institutional innovations at the farmers level and in the inter-face between farmers and external services. It is therefore essential to move applied research in these dimensions. A related issue is to give priority to technological innovations which are "appropriate" to the resource endowments of the areas involved.

9. Some of the larger, heavily funded agricultural development projects (such as major irrigation or settlement schemes) urgently require a parallel, area-specific research/extension input. This implies an adaptive research/on-farm demonstration/testing/education sequence designed and carried out for the specific project area. The national research institutions are very well equipped to provide this service adequately, and the international centers have special constraints for direct involvement in this level.

**B. Possible Role of IGAD in Research**

1. As CGIAR deals exclusively with existing international centers, IGAD/LA could focus on the following three dimensions:

- a) Linkages between international centers and National Research Systems. This will generally require raising the capacity of the national systems so that they could interact better with the international centers; but it may also mean adding to the international centers some new dimensions.
- b) Strengthening national research systems including local adaptive applied work. This approach appears especially fruitful where coordinated sub-regional efforts are being undertaken, as in the Cono Sur livestock network.
- c) Helping toward the creation of possible new multi-country or regional research institutes.

2. While a number of IGAD's member agencies are currently supporting national and network research, each financial and technical support agency has some constraints and limitations in giving full continuous support and making a substantial impact on the major issues listed under "A". IGAD/LA could take the initiative in bringing the relevant agencies together for joint or concerted approaches in which the advantages of each agency would be maximized in offering the countries a better "package" of support.

3. The "scenario" for some of these approaches may develop as follows:

- a) IGAD member agencies agree on one or more promising line of action (i.e. stress food technology research for Andean Group). The Secretariat draws up terms of reference for the activity.
- b) A study team is appointed (either by IGAD Secretariat, or by one of the member agencies willing to assume leadership and major financial commitment) to look into the problem, survey relevant agency programs, country situations and present action proposals (or alternative proposals for action).
- c) IGAD discusses technical report, decides on action. If action involves negotiations with one or more country, IGAD initiates conversations, if implementation involves two or more agencies, IGAD negotiates consortia arrangement, pledges of resources, etc.
- d) In this regard, IGAD might pick 2 or 3 national centers for which it would recommend additional external resources, in line with a specific action program with sufficient continuity to provide for sustained institutional development.

- e) IGAD may be called upon to seek political support and commitments from governments for those aspects of projects which require policy or financial commitments, such as national contributions to food technology network and relevant country components.

4. It may be wise to begin the first IGAD-sponsored activities with one or two items for which one of IGAD's member agencies is interested to assume a major responsibility (and willing to allocate funds for the necessary studies or missions). For example, the IDB has informally indicated its interest to initiate action in the animal health field, based on requests for regional programs received previously.

PROPOSALS FOR THE ROLE OF IGAD/LA  
IN THE TRAINING OF AGRICULTURE MANPOWER

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A. Major concerns and problem areas.

1. Limitations on the availability of adequately-trained personnel at all skill levels is one of the most serious constraints in the way of more rapid agricultural development in Latin America. These problems have several dimensions. Most of the existing training programs are designed to produce specialists with a relatively narrow range of technical expertise. These individuals, while generally competent in their specialities, frequently are less well-prepared to provide leadership and guidance at the local level to a country's agricultural development effort. Established training institutions generally are not designed to provide this more generalized type of management training.

2. Related to this is a common inadequate socio-economic focus of existing training activities. For various reasons, training programs frequently involve those with urban backgrounds and provide inadequate training to small farmers, local leaders and rural-oriented extension staff. In consequence, linkage between national research establishments or ministries of agriculture and local development efforts are weak and ineffective. There is a need to refocus the agricultural training effort to provide the basis for a more effective interaction between the national development effort and the local populace.

3. Salaries in the agricultural sectors frequently do not compare favorably with those in other sectors of the economy. Terms of public sector employment are often less favorable than those in the private

sector, thereby increasing the difficulty of successfully implementing high priority public sector agricultural projects. Frequently the specialized training and experience of agricultural personnel are not given adequate recognition and prospects for career advancement are limited. Living conditions in rural areas are usually difficult for project personnel resulting in difficulties of recruitment and retention of competent staff.

4. Many of these problems continue to receive attention. A number of programs related to the training of agricultural manpower are operating in Latin America with support from multilateral and bilateral sources. Among these are activities of the ILO, UNESCO and FAO within the UN system, the Inter-American Institute of Agricultural Sciences and several training centers funded by national and bilateral sources. Most of these efforts have specialized regional and/or subject matter areas of emphasis and none purport to cover the full range of agricultural manpower training needs in Latin America. Also, many internally-supported training programs focus on short courses or have a relatively transitory character. It has been most difficult to institutionalize these efforts or given them permanence within the national systems.

5. It seems likely that IGAD/LA could make a valuable contribution to agricultural manpower training by the identification of remaining gaps --either in terms of subject matter or country coverage-- in this area, by facilitating the coordination of the total training efforts and through the development of programs designed to alleviate these problems. The main end product of IGAD/LA's effort would relate to the preparation of investment proposals in this activity for possible funding by member countries or agencies.

**B. Possible Areas of Emphasis**

**6. Several areas may be suggested where training deficiencies appear to exist:**

- a) **Managers for agriculture enterprises.** These include two types: (i) farmers, with very limited formal education, who operate small family farms; and (ii) managers of larger agricultural businesses (farms, agro-industrial enterprises, agricultural development projects, in both the public and private sectors);
- b) **Management specialists for area-oriented, multi-sectorial rural development projects.** Training programs are required to meet the growing demand for expertise in the preparation, evaluation and implementation of projects of this type. This may require a post-graduate program with a strong interdisciplinary program content.
- c) **Field-level agricultural extension personnel.** Frequently the numbers of these are inadequate and the training is deficient. Growing evidence suggest that practical, field-oriented training courses of a relatively short duration, utilizing rural-oriented individuals with no more than a secondary education, may be among the most economical means to develop an effective extension service. There is need to examine the type of training and numbers required to ensure effective linkage between the national research effort and farmers. In this regard, IGAD/AL should explore the possible training and information diffusion roles by private suppliers of agricultural inputs, farm management, services and consultants.

d) **Water management technologists.** Water resources in Latin America tend to be poorly managed. The returns to training of individuals in this area are likely to be high.

7. In several countries government policies, particularly those pertaining to salaries, terms of service and career prospects, prevent full utilization of existing supplies of trained agricultural manpower. There may be opportunity for IGAD-LA to explore the extent and geographic location of these problems and to develop investment activities designed to improve these situations.

C. Possible Role of IGAD/LA

8. Training efforts could focus on a range of problems within a selected country or on a particular problem common to several countries. To be manageable and to produce operationally-useful results in the next 12-18 months, IGAD's program of work in this area must be carefully selected. The first phase, after the selection of priority topics by IGAD/LA from possibilities such as those in paragraph 5, would include the commissioning by the Secretariat of a study to determine the precise nature of remaining needs and to establish what agencies are already doing with respect to that topic. Typically, a team of 3-4 professionals, together with representatives of e.g. FAO, IICA, possibly other UN agencies would carry out the study under terms of reference developed by the Secretariat in consultation with member countries/agencies.

9. It is to be stressed that the end product of IGAD's activity in this area is the preparation of an investment proposal which meets identified training needs and which can be presented to IGAD/LA members for individual or joint financing. The proposals might relate to the strengthening

of existing institutions and/or the establishing of new national or international training facilities.

10. To ensure IGAD/LA's effectiveness and future support, it is necessary to produce investment-oriented results within the next 18 months. The timing required for these activities will be determined in part by their scope and the extent to which funding supplemental to IGAD's present budget is required. There is much to be said in favor of a small, initial effort largely fundable with resources now available through the IGAD budget. If funding is available immediately it may be feasible to complete survey preparation (terms of reference, etc.) and contracting arrangements by August 1, 1976. A six-month study (completed by the end of January, 1977) might be assured. Analysis of results and preparation of investment proposals would proceed from that point, with the expectation that some projects could be prepared for presentation to potential donors as early as mid-1977.