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 PD-AAF-273-A

CLASSIFICATION  
**PROJECT EVALUATION SUMMARY (PES) - PART I**

Report Symbol U-447

1. PROJECT TITLE  Nutrition Program  515 0121441542	2. PROJECT NUMBER  515-T-026	3. MISSION/AID/W OFFICE  Costa Rica
	4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY) FY 80-1  <input checked="" type="checkbox"/> REGULAR EVALUATION <input type="checkbox"/> SPECIAL EVALUATION	

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5. KEY PROJECT IMPLEMENTATION DATES			6. ESTIMATED PROJECT FUNDING		7. PERIOD COVERED BY EVALUATION	
A. First PRO-AG or Equivalent FY 76	B. Final Obligation Expected FY 76	C. Final Input Delivery FY 81	A. Total	\$ 18,756,000	From (month/yr.)	October 1978
			B. U.S.	\$ 6,000,000	To (month/yr.)	October 1979
					Date of Evaluation Review	9/28/79

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

A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., airgram, SPAR, PIO, which will present a request.)	B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
1. Update records on counterpart contributions.	June/CONT	1/30/80
2. Prepare justification for AID/W to extend TDD up to December, 1981.	June/Del Prado/Schouten	2/28/80
3. Reprogram education, training, and potable water components.	GOCR/June/Del Prado/Schouten	1/30/80

9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS			10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT		
<input type="checkbox"/> Project Paper	<input checked="" type="checkbox"/> Implementation Plan e.g., CPI Network	<input checked="" type="checkbox"/> Other (Specify) Imp. Letter extending Loan	A. <input type="checkbox"/> Continue Project Without Change		
<input checked="" type="checkbox"/> Financial Plan	<input type="checkbox"/> PIO/T	<input type="checkbox"/> Other (Specify)	B. <input checked="" type="checkbox"/> Change Project Design and/or		
<input type="checkbox"/> Logical Framework	<input type="checkbox"/> PIO/C		<input checked="" type="checkbox"/> Change Implementation Plan		
<input checked="" type="checkbox"/> Project Agreement	<input type="checkbox"/> PIO/P		C. <input type="checkbox"/> Discontinue Project		

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)		12. Mission/AID/W Office Director Approval	
Mary June, Assistant Capital Development Officer; Erhardt Rupprecht, Ag. Econ. Manager; Jim Pines, Consultant, New Transcentury Foundation; Elena Brineman, Nutrition Officer, LAC/DR, AID/W; Carmen Valverde, GOCR Project Coordinator. Drafter: MDJune Cleared: BBSchouten		Signature	
		Typed Name	
		Mary Kilgour, AMDIR	
		Date	
		9/28/79	

### 13. SUMMARY

This project has completed approximately 3 1/2 years of activity and has approximately ten months remaining until the current TDD of August 31, 1980. Loan activity has shown a significant increase since the last evaluation twelve months ago. Disbursements, for example, have gone from 10% as of September 30, 1978 to 33% as of September 30, 1979. While considerable progress has been made in most loan areas, the project is a complex one and delays have been encountered in carrying out activities in certain components. The Research component, which is the largest in the project budget, has made excellent progress, and has not only accomplished some of its objectives ahead of schedule, but also uncovered new areas for project activity. The Nutrition Information System component has shown steady progress in the last year although the GOOCR unit charged with implementing the information system component (SIN) has suffered from a lack of data processing and programming capacity. A recently completed study by a computer systems analyst, however, offers recommendations for the resolution of these problems. Steps have also been taken to strengthen ties between SIN and other government units involved in nutrition-related activities, and to develop further technical expertise in nutrition within the SIN staff. Within the Training component there has been considerable success with programs for training MOH personnel and volunteer health workers, but the program for training field workers has never been initiated, due primarily to a lack of nutrition personnel necessary to carry out such a program. The Nutrition Education component has also produced mixed results: it has progressed well with respect to its radio programs and graduate training activities, but has had problems in implementing its audio-visual programs. The Potable Water component, on the other hand, has had more serious difficulties as a result of repeated procurement delays. Because of current problems in the purchase of heavy drilling equipment and other previous delays, it is questionable whether the objective of this component, i.e. establishment of a rural potable water delivery system through installation of 4000 rural wells and hand pumps, will be met by the current project completion date.

In spite of the slow start experienced in this project the rate of implementation has increased significantly in the last year. Major procurement delays have been resolved and the project is moving forward at an increased pace. However, even with these major gains recently, it is unlikely that all project activities will be completed as presently scheduled, and that an extension into 1981 will be required.

### 14. EVALUATION METHODOLOGY

This is an annual evaluation undertaken to measure overall progress of the loan activities and, in view of the upcoming August, 1980 TDD, to determine whether the project should be extended and/or modified. The

procedure used is essentially the same as that followed in the last evaluation (September, 1978). In both cases, an independent, PD&S-funded review was undertaken, and the findings and recommendations submitted in those reports have been used by the Mission in making its final evaluation. In the present evaluation, particular emphasis is given to progress made since the September, 1978 review and more specifically to the effects of the subsequent project modifications instituted in April of this year.

Mission and the GOCR have accepted most of the recommendations made in the Pines and Brineman report. Action has already been taken to investigate a possible duplication of pre-school food practice surveys; a stronger institution-building approach on the part of the Executive Director's Office has been encouraged; and recommendations concerning both the establishment of a nutrition planning office in Asignaciones Familiares (DESAF) and the role of SIN have been acted upon.

Both Mission and the GOCR concur in the recommendation that the Loan should be extended into 1981 and that the extension should be coupled with appropriate modification of project activities.

The GOCR and the Mission do not concur entirely with the Brineman-Pines recommendation regarding the Nutrition Education component. Prior to phasing out this component, it is believed that an opinion of specialists in nutrition education/mass communication is needed -- at a minimum to document the reasons why the program has been less than fully successful. Specifically, the Nutrition Education component should be examined in depth to determine the feasibility of continuing the audio-visual and television education activities with the proper technical assistance or other identified support, or alternatively discontinuing this activity and reprogramming the funds to other Loan areas.

Mission and the GOCR concur that the basic courses program for field personnel under the Training component should be discontinued and funds rechannelled to other activities. Insufficient nutrition personnel exist to carry out this program, and it has been repeatedly suggested that it be dropped.

While the Mission and GOCR agree with the Pines and Brineman finding that the Rural Water component has suffered serious setbacks to date, it is felt that many of these have now been resolved and that cancellation of this activity would weaken such influence as AID might now have to assist in pump installation and inhibit the possibility of generating potentially valuable data on the effects of potable water on nutritional status. With the resources of both SIN and INISA readily available, an opportunity exists to establish baseline data on the present status of the rural families and

school children who will benefit by the installation of wells and hand pumps, and to follow-up with analyses of the effects of potable water on these beneficiaries. A survey and analysis of the relationship of potable water to nutritional status will provide a valuable mechanism for involving SIN with INISA, MOH and other agencies, and will help to clarify SIN's role in the National Nutrition Program. Further, it is anticipated that much of the activity generated by this component will take place in the Atlantic Basin region, an area of special interest to both the GOCR and Mission. The Mission recognizes, however, that the contribution of the rural water component to the National Nutrition Program will rest on affirmative actions taken by the Ministry of Health to insure an increasing rate of pump installation and an evaluation system. For these reasons, the Mission's determination to justify extension of this component into 1981 will be conditioned upon: (1) a plan for survey and analysis of the effects of a rural water delivery system on nutritional status to be carried out by SIN and appropriate agencies, and (2) a restructuring and strengthening of the component which would accelerate pump installation.

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A BRIEF REVIEW OF THE COSTA RICA NUTRITION LOAN (515-T-026)

by

Elena Brineman (LAC/DR)

and

James M. Pines (New TransCentury Foundation)

San José, Costa Rica

September 28, 1979

## RECOMMENDATIONS

1. Extension of the Nutrition Loan beyond August, 1980, should be conditioned on existence of a functioning nutrition planning office in Asignaciones Familiares that uses the Nutrition Information System for generation of data and analysis.
2. Extension of the Loan should also be conditioned on commitment by the Government of Costa Rica to absorb and continue the Nutrition Information System, including coordination of related technical agencies.
3. The Training and Nutrition Education components of the Loan should be terminated in August, 1980, except for component C-1, now used for training related to Participación Popular en Salud, a Ministry of Health effort enjoying high-level political support. Any long term participant training still underway should be supported to completion.
4. The Rural Water component should terminate in August, 1980, since procurement will be completed and unfinished installation work is independent of the Loan.
5. USAID should include CITA and INISA components, if the Loan is extended, but should help these institutes to find replacement funding sources, to reduce trauma of eventual Loan termination.
6. Subject to the foregoing qualifications and conditions, the Nutrition Loan should be extended to April, 1981, by positive exercise of the Mission Director's existing delegated authority, with amounts for remaining components to be determined after submission of revised proposals and implementation plans. AID/W should be

requested to delegate authority for further extension of the modified program.

7. Further Loan funded technical assistance for the Nutrition Information System should be conditioned on reassessment of needs in relation to the emerging staff support role of the system.
8. Computer purchase plans for the Nutrition Information System should be integrated with, and incorporated into, the National Development Information System and any related loan.
9. No computer should be purchased for the Nutrition Information System group until a satisfactory plan for post-Loan disposition of it is presented by the GOCR.
10. USAID should terminate funding of studies about food practices related to pre-school children, unless the executing agencies present satisfactory evidence that duplication no longer exists, that the studies complement each other, and that policy impact is likely.
11. USAID should encourage the Executive Director's Office to assume a more institution-building approach to the Loan, seeking ways to reduce isolation and increase integration within GOCR structures.

The Costa Rica Nutrition Loan (515-T-026) has been extended for one year, permitting disbursements through August, 1980. The Mission Director retains discretion to authorize further extension, to April, 1981, without new AID/Washington consultation. This Report provides guidance for the Director in considering whether, and on what terms, further extension should be made. It is clear that at least \$2,000,000 of the \$6,000,000 Loan will remain undisbursed at the present termination date.

Granting a new extension should depend heavily on likelihood that it will help assure Costa Rican institutionalization of useful work done during the Loan period. Unless Loan components become part of the national system, there is little justification for continued Loan funding. Although current Costa Rican conduct and plans make it likely that some Loan activities will be absorbed and continued, loan history suggests that any extension should be conditioned on Government responses from the present until the scheduled terminal disbursement date.

The Information System, the Planning System, and Ministry of Health Rural Water, Training and Nutrition Education components could all easily disappear when the Loan ends. It is not clear, for example, who will use information generated by the Nutrition Information System and, for more than three years, the proposed nutrition planning office has been stalled. Although new appointments have improved possibilities for effective post-Loan administration, past performance suggests that further extension should be linked to results.

### Ministry of Health Components

The Ministry of Health has used Loan funds for budget support (e.g., in buying audio-visual equipment) and, when financing project activities, shows little concern for continuing them after the Loan. Training and education activities funded by the Loan cannot, within the Loan period, yield measurable impact. Unless efforts continue at comparable levels, the Loan-funded activities will leave little outcome after termination. Only training related to the Ministry's Popular Participation Program seems likely to continue significantly.

The Rural Water component, also administered by the Ministry of Health, provides equipment and materials for Ministry well-drilling teams that pre-dated, and will probably survive, the Loan in some modest form. While there is some evidence that nutritional criteria influence selection of installation and repair sites, the component's relation to the rest of the loan seems tenuous. Since all equipment and materials now ordered, including 2500 undelivered pumps, should be in Ministry hands by August, 1980, this component can be closed out at that time. Installation of pumps, use of vehicles, and other aspects of materials consumption can be left to the Ministry, which will add Loan-financed purchases to other inventory.

Integration of environmental sanitation into nutrition planning does not require further financing of equipment and materials. Component funds undisbursed by August, 1980, should be transferred within the Loan or eliminated, if the Loan is extended. Costa Rican procurement regula-

tions are so complex and time-consuming that any procurements not now initiated could easily remain uncompleted by April, 1981, judging from past experience.

The Rural Water component suffers from many other problems along with procurement difficulties. Nine vehicles are about to be delivered from customs and the necessary drivers are neither on Project staff nor expected to be available in the near future. The Project Director resigned the week before the evaluation visit. His replacement will probably not be named for several weeks and will then need time to become familiar with the Project and related problems. The Ministry of Health has used Project positions to staff other activities and these positions will be difficult to recover when they are needed for installation of the pumps now on order. The picture suggests that unless things improve dramatically USAID should cut off further disbursements after August, 1980. There is little reason for confidence that another eight months, through Loan extension, will improve Ministry commitment and capacity.

The Mass Media Education component is also unlikely to benefit from further extension of the Loan. The component Director acknowledges that she is understaffed for proper use of funds and the outcomes of expenditures to date do not justify any extension. Radio programs developed in cooperation with the Demographic Association seem to have attracted a large audience, but no further Loan-related expenditures for them are programmed. There is no evidence that the programs influenced behavior,

but the Loan did, at least, provide a vehicle for future attempts to do mass media education. There is little indication, however, that present Ministry staff are prepared to do so.

Other materials being developed may also be useful, but extension beyond August, 1980, is not required for their completion. The proposed effort to provide education materials for use in health center and hospital waiting rooms, though of some value, is planned in a way that makes significant impact unlikely. The Ministry of Health has not been able, in three years, to put together a solid professional plan for use of mass media in nutrition education, by minimum acceptable standards, and further extension of the Loan for this purpose offers little promise.

The Ministry's work on "Seminars for Popular Participation", and related "Talleres", though going far beyond nutrition-related matters, is professional and promising. If USAID wishes to support, through the Nutrition Loan, a broad community development effort with high-level political support, then this training aspect of the Loan should be extended. Dr. Carlos Valerín, component Director, has a clear vision of how the seminars relate to the broad program goals and has programmed and executed training activities in an orderly way. Consideration of nutritional needs and activities in these seminars should be strengthened.

#### The Nutrition Information System

The Nutrition Information System (SIN) component made excellent progress during the past year. The various studies proposed in early plans are underway and likely to generate the information promised.

While some of the work seems of limited relevance to current nutrition planning questions (e.g., past mortality and height trends), the surveillance system and feeding center studies, for example, provide information essential for identification of target groups and design of interventions. The System's isolation, from both planning and technical agencies has prevented response to data and analysis needs of those who could use it most.

This unfortunate past separation of the System from the Government agencies most likely to benefit from the useful work (DESAF, OFIPLAN, MOH) could leave a vacuum when the Loan ends. Neither the staff nor the information systems developed are likely to be used, unless immediate steps are taken to provide for their futures. The pending National Development Information System Loan would make SIN an integral part of a broader information framework. If carried out as planned institutionalization of the Nutrition Information System will be well underway. However, it is still essential that SIN be linked clearly to both the planning agencies it will serve and the technical agencies that can support its work.

DESAF, the office of Social Development and Family Allowances (Asignaciones Familiares), holds the keys to institutionalization of the Information System and other Loan activities. It has already absorbed part of the Information System staff to serve as a nutrition planning group. This promising step should be expanded and reinforced DESAF has the power and resources to arrange further disposition of people and systems worth saving, through convenios (agreements) with other agencies, including the Ministry of Health.

If DESAF, takes nutrition planning seriously, and it is beginning to do so, promising possibilities for improving Costa Rican nutrition exist. If it does not, similar concern by other agencies is likely to have influence. Only DESAF has the resources and political position to carry out a health environmental sanitation, and feeding intervention strategy. Competing goals make it difficult for the Costa Rican Government to carry out any other strategy, such as a systematic attempt to modify agricultural and economic policies in nutritionally favorable ways.

The future of the Information System group depends on assumption of nutrition planning responsibilities by DESAF, since this will necessarily involve reliance on the Group for the related information base and analysis. Disposition of any SIN computer resources will also flow from DESAF nutrition planning, together with consideration of facilities and requirements associated with the new National Development Information System. The nutrition planning office will also have to coordinate both identification of analytical requirements and the technical resources for responding to them.

The Information System Group's future also depends on modification of some present programming and work practices. Regardless of organizational disposition, the Information System staff need to be more sensitive to the interests and professional concerns of other agencies and individuals. During the brief evaluation visit, resentment among nutritionists and Ministry of Health people showed clearly and hearsay

reported other difficulties. Whatever the facts, some perceive the SIN staff as overaggressive, arrogant, and lacking in nutrition-related knowledge. Some of this criticism seems valid and, though lack of experience and an excess of zeal explain many of the problems, early correction is essential. Even if the System becomes an integral part of the National Development Information System, multi-sectoral coordination requires more humility and patience than have so far been exhibited. The qualified nutritionist now assisting the Loan's Executive Director can play a useful intermediary role between the Information System, heavy with industrial engineers, and the Costa Rican health and nutrition communities.

Improved communication between SIN and the operating agencies would avoid, for example, the unfortunate apparent duplication of evaluation work related to the CEN (Education and Nutrition Center) program. Ministry of Health nutrition staff complain of duplication and also criticize SIN methodology and reporting. It is clear that much of the criticism could have been avoided, and the Study would have been more influential, if communication had been earlier and more frequent. When the organizational role and position of the Information System becomes clearer, improved communication will follow, but approach and style of Information System people will still require modification.

The foregoing does not detract from the remarkable accomplishments of SIN. It emphasizes, rather, the need to focus more directly on the Group's future, because there is so much worth preserving.

SIN work in nutrition surveillance illustrates the potential for

substantial accomplishment generated by the Loan and, unfortunately, also shows the difficulties of bringing it about. Studies and pilot efforts by the Information Group provide a very useful model for instituting routine surveillance of nutrition status through data collected at Ministry of Health posts and centers. The Ministry's current system, using semi-annual weighing, does not produce the rapid feedback essential for effective monitoring of changes in the national nutrition situation. Costa Rican disagreements about the criteria for defining malnutrition further complicate the subject.

Lacking the institutional and political base necessary to resolve issues and get an improved system installed, the Information System Director has alienated others and frustrated himself by trying to do so. The Ministry of Health has cooperated reluctantly and staff involved express resentment of SIN efforts. Absence of overall nutrition planning and coordination leaves issues unresolved and plans for an effective surveillance system uncertain. Work duplication continues and frustrations increase.

USAID cannot contribute much to resolution of these problems, but can encourage the Executive Director of the Loan and the Director of Asignaciones Familiares to do so. Extension of the Loan offers an opportunity to bring about general agreement on surveillance and better definition of the relation between the Nutrition Information System and the Ministry of Health in developing the surveillance system.

The emerging role of SIN has important implications for technical assistance funded under the Loan. From inception, the Loan approached

information in a way guaranteed to produce isolation, and limited relevance, for the System. Emphasizing an overelaborate conceptual framework, with little relation to Costa Rica's capability and practical needs, the Nutrition Information System has only recently become more relevant to priority nutrition planning questions.

Continued importance of the Information System depends on reducing attention to global visions of a systems model encompassing an excessive number of variables. Concentration on providing useful staff support, to DESAF and related operating agencies, requires a different kind of technical assistance than SIN has so far received.

Without deprecating the valuable technical assistance contributions to SIN capability, made to date, it is clear that the Nutrition Information System Group should reassess needs in relation to the staff role essential for its survival. This will probably require intermittent short-term consulting help addressed to specific problems, rather than more generalized continuous assistance.

#### The Research Components

Execution of research activities by CITA and INISA shows remarkable improvement over a year ago. The normal course of procurements contributed to this, as did resolution of political uncertainties associated with disposition of Loan funds. In addition, both institutions have now demonstrated their capacity to carry out activities in accordance with plans. It would take more time, but would not be difficult, to demonstrate that the Loan has contributed substantially to strengthening both institutions. Of far more concern than the relatively minor problems remaining

in administration, procurement, and execution are the basic questions of research coordination and post-Loan funding sources.

The most glaring illustration of the need for more coordination of research, during the Loan period and after, is found in studies of food habits. The 1978 evaluation report mentioned likely duplication between two such studies then identified. It now appears that there are at least three overlapping efforts underway, mostly with Loan funds, dealing with food habits in relation to pre-school children. CITA, INISA, and the Nutrition Information System are involved. Despite some efforts to coordinate, and a few concessions, there is little doubt that considerable duplication exists. Further Loan extension should depend on improved compatibility and linkages among the studies, eliminating them from any extension if reasonable resolution does not evolve. For the future, AID and the Loan's Executive Director should also encourage some centralization of research planning within the Costa Rican Government, with participation of all research institutions and a mechanisms for adjusting conflicts.

Loan funds constitute a major part of CITA and INISA funding. About half of INISA's staff, for example, are Loan funded. Both institutions realize the need to pursue alternative funding sources; but the task is difficult. USAID needs to help them use the Loan extension as a transition period, so that termination of disbursements becomes less traumatic than it is now likely to be. Much of the Loan-funded work contemplates post-Loan efforts and if GOCR is to receive full benefits from earlier work investment, the institutions need help in finding other

support.

The relationships of CITA and INISA with Asignaciones Familiares and the Ministry of Health, though informal, are promising. Both institutions are playing the supportive roles contemplated in the Loan. INISA's recuperation manual for use in hospitals, financed by the Loan, is now used by the Ministry of Health and there are other examples. CITA's milk-extender activity related directly to concerns of Asignaciones Familiares and there is constant communication between the two agencies. These relationships are highly personal, but may become strong enough to survive the future staff changes.

Although the original decisions to finance basic research under the Loan can easily be questioned, it is late to do so. Enough of value seems likely to emerge, so that seeing the investment through makes sense. If other conditions are met, the Loan components for CITA and INISA should be also extended through April, 1981. This will permit completion of work now underway and support further their applied research services to nutrition-related agencies. Provision of additional funds should depend on submission of plans for activities clearly related to needs of the DESAF nutrition planning office.

#### Loan Administration and Nutrition Planning

Although a new Loan Executive Director had assumed the position only a few weeks before the evaluation visit, administration appeared to be well under control. During the past year, the Director's Office and USAID resolved many of the procurement problems that plagued the Loan

from inception, though Costa Rican and AID requirements limit further possibilities for expediting the procurement process. Relationships among the executing agencies benefit from regular meetings as a group, chaired by the Coordinator. These meetings have begun the much-needed coordination required to reduce duplication and assure linking of related activities. Though still in a very early stage, the process indicates increased interest and effectiveness in Costa Rican loan administration.

The new Loan Director correctly perceives the importance of thinking now about post-Loan disposition of components, organization of nutrition planning, and regular coordination of nutrition-related activities. She has strong support in both the Presidencia and Asignaciones Familiares. USAID should encourage and support combined efforts among the three institutions to evolve relationships, forms, and systems for incorporating Loan outcomes into the Costa Rican system. This implies, for example, reduced emphasis on the Loan as a separate activity and increased attention to using it as a vehicle for bringing about satisfactory disposition of the components.

Some of the improvement in Loan administration may be due to the work of former AID Nutrition Adviser Robert Stickney, who labored long and hard to develop well-defined program activities and schedules for each component. While visiting AID auditors found the goals and milestones of limited value for assessing percentages of completion, the program plans have clearly been useful to the executing agencies. CITA, INISA, and SIN exhibited very logical and orderly presentations of their

activities, and even more impressive, demonstrated that performance had been guided by the presentations.

The area of Loan administration needing most attention related to sub-component F-2, initiation of a nutrition planning office and system within DESAF. Elaborate plans for such an office existed a year ago, but were never implemented. Principal staff involved have been removed or transferred and little trace of the early work remains. The new Director of Asignaciones Familiares, charged with execution of the component, has formed a number of commissions to review aspects of National Nutrition Program administration and effectiveness. She has also taken three SIN staff as the nucleus for a planning office. These actions provide a promising start for development of a more permanent planning staff, similar to that contemplated in the Loan, but much remains to be done.

Only the importance of having a nutrition planning office justifies possible extension of this aspect of Loan administration and execution. If, during the next twelve months, reasonable evidence of continued progress toward establishment of this office appears, the component should be included in any Loan extension. If personnel changes or any other factors delay action, USAID should terminate the loan in August, 1980.

## Conclusion

This brief review does not purport to be an exhaustive evaluation of the Nutrition Loan. Simultaneous presence of reviewing auditors reduced need for attention to financial aspects and lack of time prevented detailed review of most activities. Other activities, such as the Rural Water component and aspects of Education and Training, offered little that could be reviewed. Nevertheless, the visit and Report permit useful conclusions about present status of the Loan, based on objective findings.

The striking contrast between last year's concern about procurement and administration questions and the current concentration on substantive issues is objective evidence of good progress. Direct questions about administrative problems and relationships with AID produced little negative response. The Loan is moving well and should continue to do so. This may be due to effective monitoring, improved Costa Rican efforts, or other factors, but is reason for satisfaction. Despite some weak components (e.g., Rural Water, Mass Media), most of the Loan remains promising.

The current relatively orderly execution of the Loan gives us AID the luxury of thinking about institutionalization and taking steps to encourage it. The Information System component presents the most serious difficulties in this respect, but all components need attention. USAID, and the Costa Rican Government need to share constructive dialogue about the future of national nutrition planning in the Country. The substantial GCCR investment in Asignaciones Familiares, and the possibilities for using it more effectively through better nutrition planning, should encourage Governmental

response. USAID and the GOCR must use the remaining Loan period, and the possibility of further extension, to assure that the most valuable outcomes of the Loan become integral parts of the GOCR approach to malnutrition. Ultimate evaluation of the Loan depends on the degree to which activities, systems, and people, encouraged through it, remain part of the Costa Rican nutrition scene in the future.

The institution-building goals that are the ultimate measure of achievement are likely to require extension of the Loan beyond April, 1980. AID should have no hesitation in approving a longer disbursement period, if present progress continues. Loan execution barely began during the original unrealistic three-year disbursement period. With the Loan finally moving well, AID is more likely to see permanent impact by allowing ample time for goals to be attained, than by accelerating disbursements or terminating the Loan in 1981.