

7300314-7

PROJECT APPRAISAL REPORT (PAR)

PD-AAF-584-A1 REPORT U-446

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1. PROJECT NO. 730-11-130-314.01	2. PAR FOR PERIOD: Feb 72 To June 73	3. COUNTRY Vietnam	4. PAR SERIAL NO. 730-73-040
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5. PROJECT TITLE
CROP PRODUCTION (CROP PRODUCTION)

6. PROJECT DURATION: Began FY 67 Ends FY 80	7. DATE LATEST PROP June 1971	8. DATE LATEST PIP June 1971	9. DATE PRIOR PAR Feb. 1970
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10. U.S. FUNDING	a. Cumulative Obligation Thru Prior FY: \$	b. Current FY Estimated Budget: \$	c. Estimated Budget to completion After Current FY: \$
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11. KEY ACTION AGENTS (Contractor, Participating Agency or Voluntary Agency)

a. NAME USDA/PASA	b. CONTRACT, PASA OR VOL. AG. NO. ES #FE6-67
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I. NEW ACTIONS PROPOSED AND REQUESTED AS A RESULT OF THIS EVALUATION

A. ACTION (X)			B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
U.S. A.I.D.	A.I.D./ W	HOST		
			<p>USAID activities and projects in the agricultural sector are currently being reviewed. This project, Crop Production, is being redesigned. In designing and negotiating the new program with the GVN, USAID is attempting to resolve the following issues which were identified during the project appraisal:</p> <ol style="list-style-type: none"> Some arrivals of imported PL-480 Title I feed grains have been untimely and constituted a disincentive to producers vis-a-vis the future growth of local feed grain production. (See page 3). USAID is projecting feed grain requirements and feed grain production in cooperation with the GVN and requesting FFP to program the arrival of PL 480 imports according to projected short-falls. The Ministry of Agriculture has traditionally failed in providing counterparts and participants for training. USAID has taken steps to obtain in writing the names of GVN counterparts and a specific commitment of GVN personnel by names and positions for advanced training. <p><u>CLEARANCES:</u> C. Seckinger, ADFA/P <i>et</i> Date <i>11/21/73</i> W. Averill, ADFA <i>W</i> Date <i>11/21/73</i> W.O. Lustig, ADPROC/EVAL <i>W</i> Date <i>11/21/73</i> I.C. Brady, FFP (Substance) <i>W</i> Date <i>1/2/74</i></p>	
X		X		
		X		

D. REPLANNING REQUIRES	<input checked="" type="checkbox"/> PRDP	<input type="checkbox"/> PIP	<input type="checkbox"/> PROAG	<input type="checkbox"/> PIO/T	<input type="checkbox"/> PIO/C	<input type="checkbox"/> PIO/P	E. DATE REVIEW PANEL MET June 14, 1973
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PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE Emory Howard <i>EH</i> <i>12/27/73</i>	TYPED NAME, SIGNED INITIALS AND DATE Ernest Kanrich <i>Ekanrich</i> <i>1/1/74</i>
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II. PERFORMANCE OF KEY INPUTS AND ACTION AGENTS

A. INPUT OR ACTION AGENT CONTRACTOR, PARTICIPATING AGENCY OR VOLUNTARY AGENCY	B. PERFORMANCE AGAINST PLAN							C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X)					
	UNSATIS- FACTORY		SATISFACTORY			OUT- STANDING		LOW		MEDIUM		HIGH	
	1	2	3	4	5	6	7	1	2	3	4	5	
1. USDA/PASA													
2.													
3.													

Comment on key factors determining rating

Individual USDA/PASA members are integrated with direct hire in various aspects of the project. No rating is therefore given for individual performance.

4. PARTICIPANT TRAINING	1	2	3	4	5	6	7	1	2	3	4	5
		X										X

Comment on key factors determining rating One participant left for M.S. degree in Development Administration in April, 1972. One processed for short-term, four months, training in seed technology.

Difficulty experienced in selecting and processing participants.(See par 6a below). Shifting emphasis of this project will result in reprogramming participants.

5. COMMODITIES	1	2	3	4	5	6	7	1	2	3	4	5
				X								X

Comment on key factors determining rating

Four hundred and fifty tons of sorghum seed, for which priority treatment was requested, arrived in record time. Utilization of sorghum seed as well as fertilizer and insecticides was satisfactory. However, the untimely arrival of PL 480 Title I corn is believed to have been a disincentive to local producers of feed grain. (See page 3).

6. COOPERATING COUNTRY	a. PERSONNEL	1	2	3	4	5	6	7	1	2	3	4	5
	b. Project Implementation		X				X						X
	c. Financial Administration				X								X

Comment on key factors determining rating

- Difficulty experienced with Ministry regarding time-off for language training hampered the selection of participants.
- GVN has emphasized increasing crop production through improved varieties accelerated campaigns. Hectarage planted in new/improved varieties increased.
- Ministry slow in matters dealing with financial commitment. Lack of adequate per diem has lead to recruitment difficulties at the National Crops Production Training Center.

7. OTHER DONORS	1	2	3	4	5	6	7	1	2	3	4	5
				X						X		

Comment on key factors determining rating of Other Donors

- ROC gave 1,000 kg. of peanut seed, 30kg. soybean seed, and committed 20,000 kg. corn seed; provided technicians in vegetable production and nursery management.
- France provided one technician in rubber production and processing.
- Colombo Plan provided one technician in seri-culture.
- IRRI provided two six month scholarships in rice production.
- ROK provided technician to IAR in nursery cultural practices, the introduction of improved varieties, and research in the use of chemicals in rice production.

5. Commodities - (Continued from page 2).

As a direct result of the USAID's assistance to a sorghum production program in Vietnam, the production of this crop increased in three years from 0 to approximately 22,000 MT in CY 73. At the same time, a successful commercial swine/poultry industry based on subsidized PL 480 Title I corn was established, primarily in the Saigon area, through USAID assistance. However, the arrival of Title I corn in CY 72 at sorghum harvest time (April-May) resulted in a decline in the market for sorghum. As a result, the GVN, after having encouraged farmers to produce this new crop, had to make special arrangements to have it purchased. However, as a result of exposure to the use of sorghum as a feed grain in CY 72 demand for locally grown feed grains increased again and interest in and action to achieve expanded local production was stimulated. Although local production has been restimulated, it is believed that further untimely receipts of PL 480 feed grain imports could set back the local feed grain production program.

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III.A. KEY OUTPUT INDICATORS AND TARGETS - QUANTITATIVE

1. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS	2. TARGETS (PERCENTAGE / RATE / AMOUNT)						
	CATEGORY	CUMU- LATIVE PRIOR FY	CURRENT FY73		FY 74	FY 75	END OF PROJECT
			TO DATE	TO END			
1. Paddy production (Mil. of MT) (End of project-production p.a.)	PLANNED	20.9	6.2	6.5	7.2	7.3	8.5
	ACTUAL PERFORMANCE		5.9				
	REPLANNED			6.4	6.9	7.3	
2. Feed grain production (sorghum and corn) (000 MT) (End of project production p.a.)	PLANNED	15	20	20	40	75	300
	ACTUAL PERFORMANCE	14	21				
	REPLANNED				100	150	
3. Industrial peanut production (000 MT) (End of project production p.a.)	PLANNED			11	52	70	88
	ACTUAL PERFORMANCE	37	16				
	REPLANNED						
4. Industrial soybean production (000 MT) (Excludes human consumption) (End of project production p.a.)	PLANNED				12	18	32
	ACTUAL PERFORMANCE						
	REPLANNED						
5. Certified seed production (rice) (MT) (End of project production p.a.)	PLANNED	20,000	22,000	22,000	24,000	25,000	26,000
	ACTUAL PERFORMANCE	21,600	24,000				
	REPLANNED			24,000	25,000	27,000	29,000
6. Sorghum seed (MT) (End of project production p.a.)	PLANNED	180	100	400	1,000	2,000	3,000
	ACTUAL PERFORMANCE	60	212				
	REPLANNED						
7. Corn seed (MT) (open-pollenated) (End of project production p.a.) (Short-fall due to unavoidable delay in tendering production contracts)	PLANNED	100	200	200	400	1,000	2,000
	ACTUAL PERFORMANCE	8	150				
	REPLANNED						
8. Peanut seed (MT) (End of project production p.a.)	PLANNED			50	650	2,000	3,200
	ACTUAL PERFORMANCE	0	3				
	REPLANNED						

AID 1020-30 (10-72) PART III.A. Note: For line items 1-9 incl.

Figures are from DOA records

Rice crop year: June 1 - May 31

Sorghum crop year: April 1 - March 31

All other crops: Jan. 1 - Dec. 31 (includes rice seed year).

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III.A. KEY OUTPUT INDICATORS AND TARGETS - QUANTITATIVE

1. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS	2. TARGETS (PERCENTAGE / RATE/AMOUNT)						
	CATEGORY	CUMU- LATIVE PRIOR FY	CURRENT FY 73		FY 74	FY 75	END OF PROJECT
			TO DATE	TO END			
9. Soybean seed (MT) (End of project production p.a.)	PLANNED			2	42	88	210
	ACTUAL PERFORMANCE						
	REPLANNED						
10. Durian clones for use as quality control multipliers. Budwood of each clone to be grafted to local trees.	PLANNED		7	7	0	0	7
	ACTUAL PERFORMANCE		4				
	REPLANNED						
11. Persimmon seed (lbs.) to be planted for rootstocks. Imported varieties to be grafted to rootstocks.	PLANNED		20	56	25	25	106
	ACTUAL PERFORMANCE		20				
	REPLANNED						
12. Persimmon clones for use as quality control multipliers. Budwood to be used as grafts to plant 7-8,000 hectares of trees in 2-3 years.	PLANNED		2	2	0	0	2
	ACTUAL PERFORMANCE		1				
	REPLANNED						
13. Persimmon trees grafted (each)	PLANNED		2,000	4,000	2,000	2,000	8,000
	ACTUAL PERFORMANCE		2,000				
	REPLANNED						
14. Nutmeg seed (kg.) to be established in test plantings	PLANNED		3	3	0	0	3
	ACTUAL PERFORMANCE		0				
	REPLANNED						
15. Clove seed (kg.) to be established in test plantings	PLANNED		1	1	0	0	1
	ACTUAL PERFORMANCE		0				
	REPLANNED						
16. Coconut seed to be established in seed gardens which will produce high-yielding seeds for additional plantings. (hectares of seed gardens)	PLANNED		10	10	10	10	30
	ACTUAL PERFORMANCE		0				
	REPLANNED						

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III.B. KEY OUTPUT INDICATORS AND TARGETS - QUALITATIVE

1. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	2. COMMENT
<u>Rice</u>	
1.0 MOA personnel trained in project planning.	1.1 Planning, evaluation, and management training are part of Proj. 372.03. 1.2 On-the-job training provided for work plans, training plans, and special plans. Plans were developed for national rice production, rice chapter of <u>Five Year National Economic Development Plan</u> , and first national position paper on rice supplies written.
2.0 MOA personnel trained in rice production methods.	2.1 16 personnel trained in rice production methods 4 months course in 1972. 26 trained in two weeks rice certification course in 1972 making a total of 86 field inspectors trained in certified seed production methods. 1,200 tons of seed were registered and 16,000 tons of seed were certified by the inspectors in 1972.
3.0 High yielding varieties expansion campaign.	3.1 March 26, 1972, President Thieu announced "Let No Land Remain Idle" campaign. 3.2 MOA designed a campaign to increase planting of TN 20, 22, and I rice in ten priority provinces of Rs 3 and 4 during first crop. (50,000 additional hectares). Intensive program launched in 23 provinces increased production of paddy rice, (30,000 additional hectares). The total national rice production target is 850,000 hectares. 3.3 Dir.Serv. for Agric. of MOA visited provincial Agric Service Chiefs, discussed campaign with them, and secured their cooperation. 3.4 Provincial Agr. Services organized. Directors for campaign, technical affairs, and public information appointed in each target province.
	3.5 Program calendar with specific dates established. 3.6 Provincial chiefs met with district chiefs who in turn explained the campaign to village chiefs and village agric. commissioners. Village leaders in turn met with farmers and received their commitments for planting.
	3.7 Drought affected production. First crop plantings were delayed which lead to only one crop instead of two in some areas. The net result is that the 1972-73 crop yield was approximately the same as the previous year.
<u>Highland Agricultural Development</u>	
1. Montagnard and Vietnamese highland farmers trained to increase their rice production.	1.1 Highland Agricultural Development Training Center established at Ban Me Thuot to train Montagnard cadre as extension workers. 1.2 Center staffed with four teachers and a Director.

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III.B. KEY OUTPUT INDICATORS AND TARGETS - QUALITATIVE

1. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	2. COMMENT
	<p>1.3 Three intensive rice production courses of three weeks each were held in CY 1972. 127 cadre trained.</p> <p>1.4 Four courses are scheduled for CY 1973 with a total of 160 cadre to be trained. In March, 1973, 40 ethnic minority cadre graduated.</p>
	<p>1.5 Demonstration upland rice kits were provided cadre. Each kit contains seed and in some cases fertilizer and pesticides. Cadre are to demonstrate new varieties and production techniques and get farmers commitments for seed production.</p>
<p><u>Feed Grains</u></p> <p>1.0 Identification of feed grains suitable to Vietnamese conditions.</p>	<p>1.1 Research on the adaptability of sorghum. Trials of over 30 varieties held in Delta in 1969 resulted in the identification of three varieties, 2 open pollinated Hegari and Meloland and three hybrids NK-300, NK-222, and NK-265 for use.</p>
	<p>1.2 1970-71, 1,700 demonstrations held. Demonstrations ranged from 1 hectare to several hectares. GVN provided 33 MT of sorghum seed.</p> <p>1.3 VIKYN produced approximately 60 MT of hegari sorghum seed, 1971-72.</p> <p>1.4 Hi-lysine white corn introduced to private sector by advisors to MOA.</p>
<p>2.0 In-country seed production level reaches 1,500 tons of sorghum seed year.</p>	<p>2.1 1971-72, 100 to 150 tons demonstrations held. 12,000 hectares planted. GVN provided 260 MT of sorghum seed. (60MT local production; 200MT USAID import)</p> <p>2.2 1972-73 five provinces for expanded sorghum production chosen. 27,000 hectares planted in sorghum.</p>
<p>3.0 Corn production increases.</p>	<p>3.1 926 farmers engaged under contract to plant over 1,000 hectares of high lysine corn in 1972 (private sector).</p> <p>3.2 Six priority provinces for corn production identified. Target set for 1,000 to 1,500 hectares of corn. The six provinces are Tay Ninh, Binh Luong, Phuoc Tuy, Binh Tuy, Bien Hoa, and Long Khanh.</p>
	<p>3.3 Corn insect control plots established at Long Khanh, Phu Xuan, Vung Tau, and Bien Hoa. Recommended application of Carbofuran was determined to be 15-30-45 day intervals.</p> <p>3.4 Fertilizer demonstration for corn held at several locations in R-3.</p>

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III.B. KEY OUTPUT INDICATORS AND TARGETS - QUALITATIVE

1. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	2. COMMENT
4.0 MOA personnel trained in sorghum and corn production methods.	4.1 Advisors worked with Agri Service and Crop Service personnel to develop a training program. Cadre trained in class in sorghum and corn production methods - soil identification, quality of seeds, fertilizer and insecticide use, and handling and processing. Since 1970, 268 have been trained in sorghum and corn.
5.0 Private sector engaged in sorghum and corn seed production activities.	5.1 Private sector is now providing storage facilities and harvesting and processing equipment. 5.2 GVN announced policy of no further free seed distribution after 1973. 5.3 Private sector has begun requesting corn trials. One coop in R-4 planted 30 hectares, and Ban Me Thuot area coffee company planted 25 hectares.
	5.4 Agri Service personnel talked with feed millers, 2-3,000 livestock producers, and farmers to expose them to the production and use of sorghum and corn. 5.5 Sorghum and corn production expanded (See Nos. 2 & 3). 5.6 Feed millers and swine producer began to use sorghum as feed.
<u>Oil Crops</u> 1. Identification of existing oil crop production. 2. Identification of domestic edible oil requirements. 3. Identification of oil crops suitable to Vietnamese conditions.	1.1 State of the Art studies of production and processing of peanuts made in 1971. 2.1 Domestic requirements of edible oil and oil seed projected, 1972. (Proj. 363). 3.1 Testing of world collection of soybeans resulted in four varieties that appear promising for Vietnam. 3.2 Jupiter variety tested by Plant Protection Service and coop in Long Khanh. Service provided seeds; coop provided lime and fertilizer.
4. Improved cultural methods identified.	4.1 Plant Protection Service, as a result of soybean demonstrations, began the use of diazinon granules for maggot fly control. Results appear promising. Yields of soybeans were shown to increase with use of inoculants, lime, and fertilizer.

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III.B. KEY OUTPUT INDICATORS AND TARGETS - QUALITATIVE

1. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	2. COMMENT
	4.2 1972, 16 plots of soybeans were planted by Agric. Service as demonstrations for seed production and multiplication. Plots of .5 hectares each were divided with one half being treated with fertilizer and lime and the other one half left as check following traditional methods. Higher yields resulted in treated plots.
	4.3 Increasing use of lime in peanut production (Application of 2 MT/hectare of lime increases yields).
5. Private sector expands involvement in oil crops production.	5.1 Commercial quarry donated 65 MT of lime for demonstration purposes for oil crops.
6. Director of Agric established training program for staff in the planning and implementing of an expanded oil crops production program.	6.1 Dir of Agric. assigned a project leader in February, 1972. Three turnovers have occurred in that position since then.
<u>Specialty Crops</u> 1. Pre-Project analysis and feasibility studies were completed.	<p>1.1 "Immediate and Potential Fruit Crop Development in South Vietnam", horticultural adaptation survey (Univ. of Hawaii, 1971). Decision made by ADFA not to follow the recommendations of the report. It is believed that greater export potential lies in other areas.</p> <p>1.2 "Joint Team Report on Possibility of Banana Export Development to Japan" completed, 1972. Decision made by ADFA not to follow recommendations of report. Although good export potential, marketing is a serious problem.</p> <p>1.3 "Black Pepper in Vietnam", 1972. Found export potential for pepper to be good. Foreign exchange earnings would not occur for 6-8 years after inception of project.</p> <p>1.4 "Tree Crops of Export Potential in South Vietnam" 1972, identified primary tree crops for exports to be nutmeg, clove cashew, durian, coconut, persimmons, lime, and rubber.</p>

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III.B. KEY OUTPUT INDICATORS AND TARGETS - QUALITATIVE

1. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	2. COMMENT
<p>2. Improved varieties of identified primary tree crops introduced.</p>	<p>2.1 Plant introduction points and central nursery locations for multiplication designated.</p> <p>2.2 Sources of hybrid plant material have been and are being contacted. IAR to use hybrid materials for the establishment of original durian, coconut, nutmeg, and clove materials in-country.</p> <p>Four durian clones successfully imported in 1972 and are being multiplied for distribution. Two persimmon clones were imported in 1973 and are being multiplied as budwood for distribution. The two clones have yielded forty budded stumps which will result in 7-8,000 hectares of persimmons in production in the Dalat area by 1976.</p> <p>2.3 Private sector is actively involved in importation of live trees in order to improve the stock of local persimmons. Imported 2,000 trees in 1973.</p> <p>2.4 GVN has established targets for cultivation, processing, and manufacture of rubber. End of hostilities may allow GVN to expand this project.</p>
<p><u>Seed Processing, Marketing, and Quality Control.</u></p> <p>1.0 Established private sector seed industry.</p>	<p>1.1 GVN held meeting with 20-30 potential private seed processors. Announced decision to get out of seed business in 1973.</p> <p>1.2 One operator in private sector received help in processing 60 tons of sorghum seed. GVN, however, dried, chemically treated, and packaged 125 tons of seed.</p>
<p>2.0 Uniform standards for seeds established concerning purity and germination.</p>	<p>2.1 National Seed Board, rejuvenated in 1971, met 9 times. Inactive for most of 1972.</p> <p>2.2 GVN established standards, patterned after international standards, within the Rice Service for the registration and certification of seed. To date no standards established for corn and sorghum.</p>

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III.B. KEY OUTPUT INDICATORS AND TARGETS - QUALITATIVE

1. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	2. COMMENT
3.0 National seed law passed by 1970.	3.1 No progress to date.
4.0 National seed service established.	<p>4.1 Advisory paper, "Improved Seed Program for Vietnam", recommended establishment of a national seed service in 1971.</p> <p>4.2 GVN indicated willingness to establish a national seed service responsible for certification and regulation of seed production.</p> <p>Establishment of service postponed for present due to lack of personnel.</p> <p>4.3 GVN trained eighty-six provincial seed certification inspectors for rice. Plans call for additional training in sorghum and corn as well.</p> <p>4.4 Certified rice seed produced and sold: 1971 - 1,300 T registered 1972 - 10,000 T certified</p> <p>Non certified seed produced and distributed free: 1971 - 60 T sorghum 1972 - 212 T sorghum</p>

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IV. PROJECT PURPOSE

A. 1. Statement of purpose as currently envisaged.

2. Same as in Section I. YES NO

To develop the capability in the GVN Directorate of Agriculture to plan and implement programs for the attainment of national crop development and production goals including rice, field crops, and specialty crops.

B. 1. Conditions which will exist when above purpose is achieved

2. Evidence to date of progress toward these conditions.

1. The MOA has an ongoing capability to plan and implement development projects related to field and speciality crops and the capability to adjust as new crops are added or existing crop goals are refined or enlarged.

Indicators:

1.1 MOA has demonstrated that it can plan projects without outside assistance.

1.2 Increasing MOA capability to implement plans as evidenced by increasing yields in rice and feed grains.

1.1 Crop production chapters were written in the National Rural Economic Development Plan with targets established. Proposals for post-war reconstruction included plans for increasing crop production based on best available information concerning additional land availability, its use, and GVN needs. Advisory assistance was required by the MOA in developing these plans.

1.2 Crop production plans were made and implemented through the extension campaign route. In this way high yielding rice and feed grains were introduced in Vietnam. Improved cultural practices such as the use of chemical fertilizer and pesticides were included in "packages" adopted on a continually expanding scale. Nearly one third of the 1972/73 hectareage of rice was in high yielding varieties.

The Highland Agricultural Development Training Center and National Crop Production training Center were established to provide training for extension agents. Permanent staff assigned with the exception of the Highland Center where three of four staff members are temporary. Capability of staff is adequate but part-time involvement hinders performance at the Highland Center. Advisory assistance is still needed by the training section in the development of its programs and materials. Evaluation is negligible.

2. A reliable seed quality control service for the seeds of priority crops established.

Indicators:

2.1 A national seed law enacted.

2.2 Seeds are inspected and tested to determine germination and purity.

2.1 So far the MOA has not formulated a national seed law.

2.2 Rice seed is registered and certified by field inspectors and the National Seed Laboratory. The establishment of a national seed service has been delayed due to lack of qualified personnel and the low priority given this activity by the MOA. Some sorghum and corn seed were produced under government contract and specifications.

3. The capability within the MOA to plan, implement, and direct crop production models to stimulate adoption of practices demonstrated.

Indicator:

3.1 MOA has demonstrated it can plan, implement, and direct crop production models to stimulate adoption of practices demonstrated.

3.1 The first models were established in the second half of FY'72. MOA's staff now understands the concept and contributes to the design. They are still unable to initiate models without assistance from advisors.

4. The private sector is actively engaged in crop production related endeavors.

Indicator:

4.1 Increasing number of private sector enterprises engaged in crop production related activities with these enterprises distributed over many areas.

4.1 Two businessmen, who have started commercial nurseries, are importing hybrid plant materials and selling improved materials.

Local company processed 40 tons of special mix (8-24-24) fertilizer for peanut production.

Ha Tien Cement plant began the construction of a lime processing plant in 1973.

The private sector is providing storage facilities and harvesting and processing equipment for feed grains. One depot capable of supplying seed, fertilizer, and machinery and buying, processing (10,000 tons), and storing (1,500 tons) in operation in 1972. An additional facility is planned.

5. An in-country capability to rapidly multiply and produce relatively high quality seeds of new or improved varieties.

Indicators:

5.1 Increasing production of quality new or improved seeds.

5.1 Production of improved seed varieties is increasing. (See Indicator 1.2 and relevant section of Output Indicators). In March 1972 the GVN announced a campaign to increase the number of hectares planted in new/improved varieties (See Outputs, Rice). Currently the emphasis on corn and sorghum production lies in quantity rather than quality but the MOA is beginning to think in terms of establishing standards for these crops as well.

5.2 A reliable seed quality control service established for the seeds of priority crops.

5.2 A rice seed certification system based on IRRI recommendations has been adopted. Eighty-six MOA cadre received training for field seed inspection work. The National Seed Laboratory tests all seed for germination and purity in the certification process. No progress to date on feed grain seed regulation other than seed germination tests. A field inspection service exists for rice seed. This service together with the National Laboratory determines and labels quality rice seed. The staff needs special training in order to increase its capability to regulate the tagging and bagging of seed. The lack of priority given this activity and the lack of personnel has delayed the establishment of an effectively functioning nation-wide seed service. Some sorghum and corn seed were produced under government contract and specifications.

5.3 An active national seed board established.

5.3 Little progress toward the establishment of an effectively functioning national seed board.

6. The GVN is earning foreign exchange from the sale of specialty crops.

6.1 GVN receipts and export records from the sale of crops and the amount of foreign exchange earnings.

6.1 100 tons of peanuts were exported to Hong Kong by the private sector in 1972.

Tree crops of export potential have been identified and assigned priority. Work began in 1972, on improving low quality of existing varieties. The private sector has become actively engaged in commercial nurseries, the importation of hybrid plant materials, and the selling of such materials. The multiplication of improved varieties has begun.

GVN officials visited Asian countries and the U.S. to explore the market potentials for tree crop exports, in Feb. 1973.

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V. PROGRAMMING GOAL

A. Statement of Programming Goal

Increased agricultural production efficiency, and expansion in exports of agricultural commodities.

B. Will the achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national problem? Explain.

Increased crop production will require improved utilization of the land, farm labor, and other resources available and should result in significantly larger farm incomes. Further, many of the crops have a definite export potential^{and} would provide the GVN with much needed foreign exchange.

The crops presently being emphasized are primarily import-substitution oriented. Their inclusion in the GVN's Five Year Rural Economic Development Plan and postwar reconstruction plan is further justified on the basis of the GVN's income distribution policies.

The rate of production required to meet in-country needs for improved nutrition and possible exports of poultry and swine products will depend on adequate and dependable locally produced feed supplies. At present scarce rice and imported feed grains are required to support the fledgling commercial livestock industry. The introduction and attainment of a yearly production of 300,000 MT of formulated feed by 1976 should firmly establish a local feed grain industry in Vietnam.