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Extension

PD-1146-221

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AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS PART I

1. TRANSACTION CODE
 A ADD
 B CHANGE
 C DELETE

PAF
 2. DOCUMENT CODE
 5

2. COUNTRY/ENTITY
 DSB/AGR RDA-1 B

4. DOCUMENT REVISION NUMBER
 1 2

3. PROJECT NUMBER (7 digits)
 231-0236.07

5. BUREAU/OFFICE
 A. SYMBOL: DSB
 B. CODE: 10

7. PROJECT TITLE (Maximum 40 characters)
 Latin American-Caribbean Planning Network

8. PROJECT APPROVAL DECISION
 A APPROVED
 B UNAPPROVED
 C DEAUTHORIZED

9. EST. PERIOD OF IMPLEMENTATION
 YRS 0 02
 QTRS 0

10. APPROVED BUDGET AID APPROPRIATED FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		Thru 9-30-79		1st FY 80		2nd FY 81	
		C GRANT	D LOAN	F GRANT	G LOAN	I GRANT	J LOAN	L GRANT	M LOAN
(1) FN	180J	052		758		225 ^{a/}			200
(2)									
(3)									
(4)									
TOTALS				758		225			200

A. APPROPRIATION	N. 3rd FY - 82		O. 4th FY - 83		LIFE OF PROJECT		11. PROJECT FUNDING AUTHORIZED	
	B. GRANT	P. LOAN	R. GRANT	S. LOAN	T. GRANT	U. LOAN	ENTER APPROPRIATE CODE(S) 1. LIFE OF PROJECT 2. INCREMENTAL LIFE OF PROJECT	GRANT LOAN
(1)	0		0		1183			2
(2)								
(3)								
(4)								
TOTALS		0		0		1183		82

12. INITIAL PROJECT FUNDING ALLOTMENT REQUESTED (\$000)

A. APPROPRIATION

B. ALLOTMENT REQUEST NO. _____

C. GRANT D. LOAN

13. FUNDS RESERVED FOR ALLOTMENT

TYPED NAME (C/NF, SKR/FM/FSI)

SIGNATURE _____

DATE _____

14. SOURCE/ORIGIN OF GOODS AND SERVICES
 000 041 LOCAL OTHER _____

15. FOR AMENDMENTS, NATURE OF CHANGE PROPOSED

^{a/} Includes \$125,000 approved by DAA/DS/FN in August 1979 and obligated in FY 1980 for a cost over-run.

This Amendment approves an unfunded six month extension of the two cooperative agreements with Iowa State University and Michigan State University and \$300,000 for a two-year extension of the InterAmerican Institute of Agricultural Sciences contract.

8/25/80

FOR PRC/PIAS USE ONLY	16. AUTHORIZING OFFICE SYM/DL	17. ACTION DATE	18. ACTION REFERENCE (Optional)	ACTION REFERENCE DATE
		MM DD YY		MM DD YY

PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS

PART II

ENTITY: DS Bureau
PROJECT: Latin America Planning Network
PROJECT NUMBER: 931-0236.07

hereby authorize grant funds not to exceed \$300,000 to increase the project level to \$1,183,000 for a two-year extension of the contract with IICA for the development of training materials, to hold seminars and workshops, to provide technical cooperation and project management. Authorization is also provided to extend for six months the cooperative agreements with ISU and MSU to allow these universities to continue to provide assistance to IICA, as required, in the development of the training materials and to assist in planning the seminars and workshops and to provide resources needed for successful implementation of the program by IICA.

Approved [Signature]
Disapproved _____
Date 8/25/80

Attachments: DS/AGR Memo to DAA/DS/FN
Evaluation Report
IICA's Phase II scope of work and budget
Extension Requests from ISU and MSU

Clearances: DS/AGR/EPP: RRehnborg [Signature] date 7/2/79
REhrich [Signature] date 7/25/79
DS/AGR: Mlozynski [Signature] date 7/25/79
DFiester [Signature] date 7/25/79
DS/PO: ASilver [Signature] date 7/25/80
BChapnick [Signature] date 8/25

* This is approved on the basis that this is the final obligation. [Signature]

the case throughout Phase I of the project. That has been completed and is on file with the project manager. Not only did the evaluation team recommend a revision of the Phase I work plan, but also suggested that IICA proceed with the preparation of a work plan for years four and five of the project, (Phase II). That plan has been presented and is attached to this memo for your review. The \$100,000 requested for FY 1980 funding will initiate Phase II activities. During the fourth and fifth years, IICA will implement the following scope of work: 1) develop training materials; 2) hold seminars and workshops; 3) provide technical assistance to the member countries; and 4) assist in project management. Additional information is provided in the attached Scope of Work.

The extension of the ISU and MSU cooperative agreements will enable these institutions to continue assisting IICA for the initial stages of Phase II of the project. They will continue to assist IICA to develop training materials, as outlined in the enclosed work plan for years four and five, until their allotted funds are expended.

Recommendation: That you approve a two-year extension of the contract with IICA at a cost of \$300,000 and a six month unfunded extension of the cooperative agreements with ISU and MSU by signing the attached PAF.

Attachment:a/s

Clearances: DS/AGR/EPP:REhrich _____ date _____
DS/AGR:MMozynski _____ date _____
DS/PO:ASilver _____ date _____

DS/AGR:TO'Hare/nmb:8/18/80

ACTION MEMORANDUM FOR THE DEPUTY ASSISTANT ADMINISTRATOR FOR FOOD AND NUTRITION, BUREAU FOR DEVELOPMENT SUPPORT

August 18, 1980

THRU : DS/PO, Mr. Bernard Chapnick

FROM : DS/AGR, Donald R. Fiester

SUBJECT: Latin American Planning Network

BC on condition this is final obligation
Donald R. Fiester

Problem: Your approval is required to extend implementation of the Latin American Planning Network project for an additional two-year period. With this approval, the contract with the Inter-American Institute of Agricultural Sciences (IICA) will be extended for a two year period at a cost of \$300,000 and the Cooperative Agreements with Iowa State University (ISU) and Michigan State University (MSU) will be extended for six months without adding additional funds.

Discussion: In April 1977 the subject project was approved for five years and funded for three. To date the Agency has obligated a total of \$882,000 for this project. Approval for years four and five, or Phase II, was to have been based in part on the recommendations of a comprehensive, evaluation held during the third year. The project plans included arrangements for Cooperative Agreements with MSU and ISU and a contract with IICA for the purpose of enhancing IICA's institutional capabilities to assist in agricultural and rural sector planning functions in the planning agencies of certain Latin American and Caribbean countries.

LACPLAN's project paper called for an assessment of the planning needs and policy formulation capabilities of IICA and its member states, the development of training materials, the presentation of planning related courses and seminars, the selection and testing of country appropriate planning and policy formulation methodologies, and technical assistance for planning activities in IICA countries. The project paper called for the achievement of these goals in two phases, the first of three years duration and the second two years. Phase I involved a general survey of agricultural planning in twenty of the region's countries with in-depth surveys conducted in six. After the surveys were completed, three seminars were held in which representatives of each of the surveyed countries participated. The contractor (IICA) is currently preparing instructional materials for use in the presentation of planning

workshops and seminars. The project's Phase II will involve the actual presentation of short courses, seminars, and workshops. These will be based on the material produced under Phase I activities along with the delivery of in-depth planning assistance to one or more countries in the region. Short-term technical assistance on planning activities will be delivered to an unspecified number of countries in the region.

The implementing institution (IICA) and the cooperating universities (MSU and ISU) have developed a regional planning network that will continue to function and provide supportive services after A.I.D.'s funding and technical services have terminated.

A team evaluation of the project conducted in July 1979 recommended the following: an extension of the Project's Phase I termination date by four months, allocation of an additional \$125,000 budgetary support for IICA contract to expedite the orderly completion of Phase I activities initiated in year three, and a revision of the project's work plan. The IICA contract has been extended the recommended four months. The request for the extensions of the cooperative agreements with the two U.S. Universities is covered in this memorandum. The \$300,000 required to fund LACPLAN Phase II activities will be obligated under the following schedule: \$100,000 from FY 1980 project funds, \$125,000 from FY 1981 project funds and \$75,000 from funds to be transferred from the FY 1981 budget of the Water Resources Economics project which is being forward funded in FY 80. The above mentioned evaluation team evaluated the project on the basis of two criteria. The first was the implementing institutions' progress in obtaining benchmark data for the determination of present country capacities in the performance of sector analyses and planning activities and the implementation of public sector strategies for agricultural development. The second criteria concentrated on the implementing institutions' performance with regard to increasing the capacities of cooperating countries to perform their own agricultural sector analyses and planning work. The team concluded that the Contractor (IICA) had indeed accomplished the stated activities during Phase I. The only short fall encountered was the design of training materials and the planning of training courses, seminars, and workshops. It should be pointed out that both the Contractor and the cooperating universities have made excellent progress in producing materials that would correct that short fall in the year since the completion of the evaluation.

The team went on to recommend that the project's work plan be revised to reflect the relative roles of the implementing institutions rather than leaving the assignment of implementation functions to two distinct contractual modes and disproportionate budget allocations as had been

ACTION MEMORANDUM FOR THE DEPUTY ASSISTANT ADMINISTRATOR FOR FOOD AND
NUTRITION, BUREAU FOR DEVELOPMENT SUPPORT

DATE: 06/20, Robert Simpson

FROM: DS/nGR/Dean Peterson *John P. Peterson*

SUBJECT: An increase in the approved level of \$125,000 for the Latin American Planning Network activity under the Expanded Program for Economic Analysis - Project No. 931-0235.07

Problem: Your approval is required to increase by \$125,000 the approved level of the Latin American Planning Network subproject to enable the Interamerican Institute of Agricultural Sciences (IICA) to complete activities scheduled for the third year of the project.

Discussion: This project is a joint effort involving 3 institutions funded at the following levels:

Interamerican Institute of Agricultural Sciences		
	(IICA)	\$288,390
Iowa State University	(ISU)	\$368,612
Michigan State University	(MSU)	\$100,171

In July 1979 a team evaluating the project concluded that, although the project was proceeding well, costs were in excess of those originally budgeted. The primary burden of the excess costs was borne by IICA whose level of effort greatly exceeded the proportional fund allocation.

A request for \$246,191 in additional funding was submitted which was judged to be excessive. However, the team recommended \$107,000 will be required to complete the activities scheduled for the third year of the project. To this level ESP has added an additional \$18,000 to allow IICA to expand the training activities to involve a larger number of participants in this planning process. This is consistent with the original plans of this sub-project.

Recommendation: That you approve the additional \$125,000 by signing the attached PAF.

Attachments:

- A - PAF
- B - PES
- C - Draft - Team Evaluation Report

Clearances:

DS/AGR/ESP: JDay	<u>[Signature]</u>	Date	<u>8/21/14</u>
DS/AGR: MNozynski	<u>[Signature]</u>	Date	<u>8/21/14</u>
DS/AGR: DPeterson		Date	
DS/PO: RSimson	<u>[Signature]</u>	Date	<u>8/21</u>
DS/PO: PGage	<u>[Signature]</u>	Date	<u>8/21</u>

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT AUTHORIZATION AND REQUEST
FOR ALLOTMENT OF FUNDS PART I

1. TRANSACTION CODE

A ADD
 C CHANGE
 D DELETE

PAF

2. DOCUMENT NO.
5

3. COUNTRY ENT TY

4. DOCUMENT REVISION NUMBER

5. PROJECT NUMBER (7 DIGITS)

001-0236.07

6. BUREAU OFFICE

A SYMBOL B CODE
DSB 36

7. PROJECT TITLE (Maximum 40 characters)

Exp Prog of Econ Anal-IA Planning Network

8. PROJECT ACTION TAKEN

APPROVAL
DECISION

A APPROVED
 C DISAPPROVED
 D DEAUTHORIZED

9. EST. PERIOD OF IMPLEMENTATION

YRS 0 5
MOS 0

10. APPROVED BUDGET AID APPROPRIATED FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		Thru 9/30/78		M. 2ND FY '79		K. 3RD FY	
		C GRANT	D LOAN	F GRANT	G LOAN	I GRANT	J LOAN	L GRANT	M
01	FN	180J	052		758		125		
02									
03									
04									
		TOTALS		758		125			

A. APPROPRIATION	N. 1ST FY		O. 2ND FY		LIFE OF PROJECT		PROJECT FUNDING AUTHORIZED THRU
	C GRANT	D LOAN	F GRANT	G LOAN	T GRANT	V LOAN	
01	FN				883		2
02							
03							
04							
		TOTALS			883		8/0

12. INITIAL PROJECT FUNDING ALLOTMENT REQUESTED (\$000)

A. APPROPRIATION	B. ALLOTMENT REQUEST NO.	
	C. GRANT	D. LOAN
01	FN	
02		
03		
04		
		TOTALS

13. FUNDS RESERVED FOR ALLOTMENT

TYPED NAME (Initials of R. FN/FS/D)

SIGNATURE

DATE

14. SOURCE OF CN OF GOODS AND SERVICES

000 341 LOCAL OTHER 935

15. FOR AMENDMENTS NATURE OF CHANGE PROPOSED

This amendment adds \$105,000 to project costs to enable the InterAmerican Institute of Agricultural Sciences (IICA) to carry to a successful conclusion activities scheduled for the 3rd year of the project.

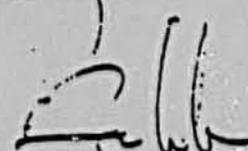
PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS
PART II

AGENCY: Bureau for Development Support

PROJECT: Expanded Program of Economic Analysis Latin American Planning Network

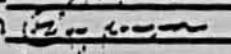
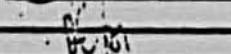
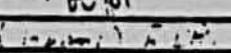
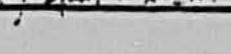
PROJECT NO: 931-0236.07

I hereby authorize additional funds of \$125,000 for use in the first three years of the Latin American Planning Network project above the total of \$288,390 previously authorized. This requested amount reflects additional funds required by the InterAmerican Institute of Agricultural Sciences (IICA) in carrying out its contractual obligation during the first two years of the project and projected costs in year 3. This additional funding will increase the total funding to IICA from \$288,390 to \$413,390. Funding to the supporting U.S. institution; Iowa State University and Michigan State University, will remain as previously approved.



E. N. Babb
Deputy Assistant Administrator for
Food and Nutrition
Bureau for Development Support

Date: 2/31/79

Clearances:		Date
DA/AGR/ESP: JDay		5/31/79
DA/AGR: Mozynski		7/24/79
DA/AGR: Peterson		2/3/79
DA/FO: Robinson		5/11
DA/PO: Page		5/11
DA/DA: Goodwin		5/21/79

- Reference:
- 1 - Action Memo
 - 2 - Draft Team Evaluation Report

Attachment I
Scope of Work
Latin American - Caribbean Planning Network
(Project No. 931.0236.07)

A five-year cooperative project "to improve and expand institutional capabilities for agricultural and rural sector planning and policy analysis in Latin American and Caribbean countries through the Inter-American Institute of Agricultural Sciences (IICA)" was concluded and signed by AID and IICA in August, 1977. At the same time three year cooperative agreements were signed with Iowa State University and Michigan State University to assist IICA in developing those planning capabilities.

The Latin American and Caribbean Agricultural Planning and Policy Analysis Project (LACPLAN)* was initiated in September, 1977. LACPLAN was funded for the first three years by AID and IICA. The third year was "...part of a continuing institutionalization process within IICA. AID assistance was expected to be required for an additional twenty-four months..."

The third year's activities were concerned with training efforts, with emphasis on generating training materials and institutionalizing the project within IICA.

The development of training materials has focused on drawing up basic documents for each of the four areas that were identified as a result of activities conducted under the "Survey of Agricultural Planning and Policy Analysis" (operational planning, project planning, analysis and design of planning systems, and information and policy analysis for decision making). Complementary documents expand upon those sections of the basic documents which require more detailed treatment. Case studies are used to illustrate specific topics or sections of the basic or complementary documents.

The training materials being developed are tested in two types of activities. They are used in regional seminars and country-level workshops, and they are used for technical cooperation.

Therefore, the training material is developed through "action-research" type activities. The results feed into the training program in the form of regional seminars and country-level workshops as well as into direct technical cooperation. In turn, both feed back into "action-research" activities to modify and generate

* PROPLAN is the acronym for the Spanish title of this project, although LACPLAN would be its equivalent in English. PROPLAN is already being used in twenty-four countries, including English-speaking countries.

additional training materials. Third-year activities have brought us to the beginning of this cycle. However, additional AID support is required if it is to be developed and set in motion. This is considered to be the basic generator of the Latin American and Caribbean Agricultural Planning Network.

Once the basic conceptual components of the Network had been identified, there was a need for a central organization to provide a core group for the direction of the "action-research" -training-technical cooperation- "action-research" cycle.

At the same time, IICA experience showed that, in order to reach the rural poor, we should improve both efficiency and effectiveness of public institutions delivering goods and services required for that segment of society. This could not be accomplished through planning alone. IICA identified three different types of disjuncture to which the Institution should address itself. At one level of abstraction, planners and managers are two groups trained and operating in conflict, downplaying each others' areas of action and ignoring the urgent need for them to integrate their actions. At a second level of abstraction a lack of integration can be observed within each group among different institutional levels. This second type of disjuncture hinders the development of internal consistency among national, regional and local actions. At a third level of abstraction, all the countries demonstrate a lack of correspondence between the products of planners and managers and the evolution of political and socio-economic processes. This third type of disjuncture is due to the deficient and, in the majority of cases, non-existent participation of the rural population in those processes which generate the products delivered to them.

In the final analysis, these three different types of disjuncture have produced a lack of viability in the proposals and actions of planners and managers. For these reasons, they fail to encourage the generation of goods and services which will improve the well-being of the rural population, especially the rural poor. Therefore, this situation requires an integrated approach on the part of IICA. Such an approach should bring together and coordinate other IICA activities to improve its technical cooperation with countries and to support their efforts towards rural development.

In order to assure this integrated approach, as well as complementarity among other externally-financed projects in this area, a new unit was created at IICA headquarters. This unit will be formed by a core group which will work on planning and management for rural development. Its focus will be on the above-mentioned disjunctures and the "action-research"-training-technical cooperation-"action-research" cycle for the generation and transfer of knowledge. This new unit is called the Planning and Project Management Division.

Because of its origin and expected approach, this new unit is being identified as PROPLAN, (LACPLAN) a name already being used in twenty-four countries in Latin America and the Caribbean. Since the project we are discussing now falls under this new unit, we will identify it as PROPLAN/AP.

IICA's large-scale efforts to institutionalize and expand PROPLAN require the use of external funds. This proposal for additional funds for the fourth and fifth years of PROPLAN/AP is part of the support IICA is hoping to receive.

PROPLAN/AP fourth and fifth year activities are broken down as follows:

- i) development of training materials;
- ii) seminars and workshops;
- iii) technical cooperation; and
- iv) project management

DEVELOPMENT OF TRAINING MATERIALS

These activities will seek to expand efforts in three areas: i) operational planning; ii) project planning; and, iii) information and policy analysis for decision-making.

Under operational planning, the basic document will be completed, two additional case studies will be written to illustrate specific aspects of the operational planning process, the basic document will be reviewed after it has been tested through use and illustration, and complementary documents will be identified and developed.

Under project planning, the basic document will be completed, a complementary document on project identification will be developed, two case studies will be written and the basic document will be reviewed after use and illustration.

Under information and policy analysis for decision-making, the basic document will be reviewed, complementary documents will be developed (covering such topics as systematization of information for agricultural planning, data systems for agricultural planning, and institutional approaches to redistribution of ownership and property rights), two case studies on analysis of price, marketing and trade policies will be written and the documents developed will be modified according to the results of their use.

The estimated budget for this group of activities is as follows:

BUDGET LINES	IICA	AID	TOTAL
Salaries	44,000 (11 p.m.)	36,000 (9 p.m.)	80,000
Consultants	- - -	42,000 (6 p.m.)	42,000
Travel	- - -	8,400	8,400
Other costs	- - -	2,000	2,000
TOTAL	44,000	88,400	132,400

In addition to the estimated expenditures, financing is required to cover fourteen working months for the cooperating institutions.

SEMINARS AND WORKSHOPS

These activities will be used to test and transfer the knowledge generated through the above activities. It will include: i) conceptualization and design of seminars and workshops; ii) maintenance of and up-to-date inventory of training programs; iii) collection of the necessary bibliographic support for specific activities; iv) organization of training activities; and, v) the continuation of the training program.

The two basic type events will be continued. Two regional seminars will be offered each attended by approximately twenty participants and lasting about five days. The second type of event will be the country-level workshops.

These workshops will be jointly organized with the corresponding IICA country office. Four workshops are expected to need support.

The expenditures for the regional seminars are as follows:

BUDGET LINES	IICA	AID	TOTAL
Salaries	12,000 (3 p.m.)	12,800* (3 p.m.)	24,800
Travel	- - -	10,000	10,000
Other Costs	- - -	40,000	40,000
TOTAL	12,000	62,800	74,800

* Includes 2 p.m. of secretarial and support staff.

The expenditures for the country-level workshops are expected to be as follows:

BUDGET LINES	IICA	AID	TOTAL
Salaries	- - -	16,000 (4 p.m.)	16,000
Travel	- - -	10,200	10,200
Other Costs	- - -	4,000	4,000
TOTAL	- - -	30,200	30,200

TECHNICAL COOPERATION

Four countries are expected to benefit from these activities. The material generated by the first group of activities, above, will be used for technical cooperation.

Three types of activities will be conducted: i) identification of specific areas of technical cooperation; ii) preparation of a technical cooperation program; and, iii) implementation of the technical cooperation program.

The expenditures budgeted for this group of activities are as follows:

BUDGET LINES	IICA	AID	TOTAL
Salaries	16,000 (4 p.m.)	32,000 (8 p.m.)	48,000
Consultants	4,500 (1 p.m.)	19,500 (4 p.m.)	24,000
Travel	5,400	18,200	23,600
Other Costs	1,600	- - -	1,600
TOTAL	27,500	69,700	97,200

PROJECT MANAGEMENT

This group of activities includes: i) programming; ii) organization; iii) coordination; and, iv) monitoring. The work will focus on activities at headquarters in San Jose, IICA offices in member countries, interrelationships with other IICA projects and other national and international institutions.

The budget for this group of activities is as follows:

BUDGET LINES	IICA	AID	TOTAL
Salaries*	38,400	21,600	60,000
Travel	3,500	- - -	3,500
Other Costs	2,000	- - -	2,000
TOTAL	43,900	21,600	65,500

*Salaries included in this figure would cover six months (\$4,000/month) for a coordinator and twenty-four months for a junior assistant (\$900/month), a secretary (\$500/month), and \$2,400 (\$100/month) for support staff.

LACPLAN FUNDING FOR YEARS FOUR AND FIVE:

In July 1979 the project was reviewed by a team as called for in the IICA contract and ISU and MSU cooperative agreements. It was the team's recommendation that upon demonstration of its ability to develop training materials and the submission of a detailed plan of work the IICA contract should be funded for an additional two years. These requirements have now been met.

The plan of work for years four and five calls for activities in the following areas:

- i) development of training materials:
- ii) seminars and workshops:
- iii) technical cooperation; and
- iv) project management

DEVELOPMENT OF TRAINING MATERIALS:

These activities will seek to expand efforts in three areas: i) operational planning; ii) project planning; and iii) information and policy analysis for decision making. Each activity will involve the development of a basic document and the conduct of case studies as a means of testing document validity.

SEMINARS AND WORKSHOPS:

These activities will be used to test and transfer the knowledge generated through the above activities. A regional seminar will be offered, attended by approximately twenty participants and lasting about five days. In addition, three country level workshops will be presented in cooperation with representative IICA country offices.

TECHNICAL COOPERATION:

Four countries are expected to benefit from these activities. Although it is not possible to specify at this time exactly which countries will be assisted, this activity will likely involve some of the following:

<u>Country</u>	<u>Type of activity</u>
Colombia	Policy Analysis Process (sectoral planning office)
Honduras	Operational Planning (national, sectoral and regional)
Panama	Project Identification and Elaboration
Dominican Republic	Project Evaluation System
Guyana	Design of Planning System
Ecuador	Information and Policy Analysis

The materials developed during the third year of the project, plus those to be developed during the fourth year, will be used in providing technical assistance.

SUMMARY BUDGET FOR YEARS FOUR AND FIVE

ACTIVITIES	IICA CONTRIBUTION		AID CONTRIBUTION***	
	Working month	funds	working months	funds
- Training materials	11	44,000	19	88,000
- Regional seminar	3	12,000	3	62,800
- Country workshops	—	- - -	4	30,200
- Technical cooperation	5	27,500	12	69,700
- Project management	30*	43,900	24**	21,600
Overhead				27,300
TOTAL	48	127,400	62	300,000

BUDGET LINES

- Salaries	110,400	118,400
- Consultants	4,500	61,500
- Travel	8,900	46,800
- Other costs	3,600	46,000
Overhead		27,300

* Include a coordinator for six months and a secretary for 24 months

** 24 months assistant

*** Does not include 14 working months of cooperating Institutions

FUNDING SCHEDULE:

It is proposed that this project be funded in three tranches as follows:

Fiscal Year	Amount
1980	\$100,000
1981	\$125,000
1982	\$ 75,000
TOTAL	\$300,000

931-0236

1. INITIAL STARTING DATE (Mo., Day, Yr.) June 15, 1976	PASA PARTICIPATING AGENCY SERVICE AGREEMENT BETWEEN THE AGENCY FOR INTERNATIONAL DEVELOPMENT AND U.S. Department of Agriculture	6. <input type="checkbox"/> PASA ORIGINAL <input checked="" type="checkbox"/> PASA AMENDMENT <u>1</u>
2. PROJECTED COMPLETION DATE (Mo., Day, Yr.) September 30, 1981		7. PASA NUMBER (Formerly) AG/TAB-236-14-76 AG/DSB-236-14-76
3. CATEGORY <input checked="" type="checkbox"/> TDY <input checked="" type="checkbox"/> ASSIGNED	8. COUNTRY/AID/W OFFICE AID/W/DSB-Worldwide	
4. DURATION OF FUNDING <input type="checkbox"/> CURRENT YEAR <input checked="" type="checkbox"/> FORWARD FUNDING	5. PROJECT NO. AND TITLE 931-0236.01 Expanded Program of Economic Analysis-Comprehensive Resource	9. TYPE <input type="checkbox"/> REIM. <input checked="" type="checkbox"/> GRANT <input type="checkbox"/> LOAN
		10. YEAR FY 19 <u>80-81</u>

11. FUNDING			
Inventory and Evaluation Systems			
A. CITATIONS	(1) APPROPRIATION NO. 72-1101021.3	(2) ALLOTMENT NO. 043-36-099-00-20-01	(3) PIO/T/OBLIGATION NO. 931-0236.01-3606619
B. AMOUNT	(1) INITIAL OR CURRENT \$868,350	(2) CHANGE (+ OR -) + \$200,000	(3) NEW TOTAL \$1,068,350
C. TOTAL PROJECT COSTS	(1) PRIOR YEARS (FOR CONTINUOUS PROJECTS)	(2) FUTURE YEARS (INCLUDE CURRENT FUNDING BLOCKS B(1) OR B(3))	(3) ESTIMATED TOTAL
D. PRINCIPAL COST COMPONENTS (BLOCK B)	(1) SALARIES, DIFFERENTIAL AND BENEFITS \$141,567	(2) TRANSPORTATION INCLUDING PER DIEM \$8,000	(3) MISCELLANEOUS \$10,433
E. SUPPLEMENTAL AID SUPPORT	(1) INITIAL OR CURRENT	(2) CHANGE (+ OR -)	(3) NEW TOTAL
(4) OVERHEAD \$40,000			

12. STATEMENT OF PURPOSE

A. Summary

The purpose of this amendment to PASA AG/DSB-236-14-76 between A.I.D. and the U.S. Department of Agriculture is to incrementally fund this project for the period of June 1, 1980 through: September 30, 1981.

The purpose of this extension is to synthesize the experience gained over the four years of technical assistance and assist DS/AGR in the design of its new agricultural planning and policy analysis project.

13. GOVERNING PROVISIONS: PURSUANT TO THE GENERAL AGREEMENT DATED Feb 15, 1966 BETWEEN AID AND THE USDA, THE AGENCY NAMED ABOVE AGREES TO PROVIDE THE SERVICES OUTLINED IN BLOCK 12 AMPLIFIED AS NEEDED BY APPENDIX A UNLESS OTHERWISE AUTHORIZED BY AID. ALL SERVICES SHALL BE OF U.S. ORIGIN. ANY APPENDICES ATTACHED HERETO ARE CONSIDERED PART OF THIS PASA.

14. SIGNATURES	
NAME: <u>Hm</u> TITLE/OFFICE: <u>Deputy Director, Technical Assistance Division, OICD, USDA</u> DATE: <u>7/28/80</u>	NAME: <u>Helen I. Alexander</u> TITLE/OFFICE: <u>Actg. CHIEF, PARTICIPATING AGENCY BRANCH CONTRACT MANAGEMENT, AID</u> DATE: <u>July 24, 1980</u>

15. APPENDICES	16. NEGOTIATING OFFICERS
<input checked="" type="checkbox"/> APPENDIX A - SCOPE OF WORK <input checked="" type="checkbox"/> APPENDIX B - BUDGET PLAN <input type="checkbox"/> OTHER REFERENCE _____	AID: CM/SOD/IIA: HIAlexander AGENCY: USDA / OICD: WShoofnagle

APPENDIX B SCOPE OF WORK PAGE <u>2</u> OF <u>3</u>	PARTICIPATING AGENCY SERVICE AGREEMENT BETWEEN THE AGENCY FOR INTERNATIONAL DEVELOPMENT AND U.S. Department of Agriculture	<input type="checkbox"/> ORIGINAL <input checked="" type="checkbox"/> AMEND 1 NO.
		PASA NO. AG/DSB-236-14-76
		FISCAL YEAR 1980-81

3. Scope of Work

The synthesis documents will be based on the experience of the CRIES team in the Dominican Republic, Costa Rica, Nicaragua, Honduras and Syria. (Work in Syria was funded by the Near East Bureau.) The following types of documents will be produced:

1. Basic land resource classification criteria, methods and procedures. The CRIES team has been using the USDA Soil Taxonomy and a specially developed crop-climate taxonomy in their work in Latin America and Syria. One or more documents will be written to describe the taxonomies, the types of data and how they are assembled, and the integration of these data to delineate resource planning units.
2. Users' manuals for computer software and information systems. The CRIES team has written and tested a set of computer programs for use in the automated information systems. Analysts in the Dominican Republic and Costa Rica have learned to use the software and information systems through workshops presented by the CRIES staff. The more complete documentation to be produced will allow other users to learn on their own.
3. Relationship of area frame sampling and the CRIES land resource base. Many LDC governments have adopted or are in the process of adopting area frame sampling for the purpose of collecting agricultural statistics. The CRIES land resource base has been proposed as a more efficient means for stratifying the area sample. It is currently being used to stratify the revised area sample in the Dominican Republic. A document will be prepared to present the methodology, assess the experience in the Dominican Republic, and make recommendations for possible uses in other countries.
4. Implications of using alternative levels of the Soil Taxonomy in national resource policy analysis. Detailed soil maps for the Cibao Valley in the Dominican Republic provide the data base for a numerical analysis of alternative model formulations using different levels of the Soil Taxonomy. The Economic model is being solved with different levels of aggregation and the results compared. A document will be prepared to present these results and make recommendations for the use of soils data in economic models in other countries.
5. Institutional relationships. The CRIES project succeeded in linking several institutions and individuals with different scientific backgrounds to establish a viable agricultural resource planning capacity in the Dominican government. This experience will be documented as a case study that should be helpful in designing other institution building projects.

PARTICIPATING AGENCY SERVICE AGREEMENT
BETWEEN
THE AGENCY FOR INTERNATIONAL DEVELOPMENT AND
U.S. Department of Agriculture

ORIGINAL
 AMEND 1
NO. _____
PASA NO.
AG/DSB-236-14-76
FISCAL YEAR
1980-81

These various documents will be useful to AID, other donors, international agencies and LDC scientists, as well as to DS/AGR in the design of its agricultural planning and policy analysis project.

The CRIES team will also work directly with DS/AGR in the design effort. This will take the form of consultations and participation in workshops on the following subjects: (1) Data collection issues, including relative merits of area and household frames, and integration of data collected by ground enumerators and remote sensing; (2) Appropriate computer hardware and software and institutional arrangements for processing agricultural data; (3) Analytical approaches for addressing natural resource issues; (4) Institutional arrangements for policy analysis of natural resource issues; (5) Land classification concepts for multi-purpose uses.

C. Duty Post

East Lansing, Michigan, with TDYs to AID/Washington and the Dominican Republic and Sudan, and possibly other countries, if required.

D. Liason and Guidance

AID/W, DS/AGR, Dr. R. Suttor

E. Logistic Support

All logistic support will be provided by U.S.D.A.

F. International Travel

No international travel, originating in the U.S., will be undertaken unless prior approval has been obtained from CM/SOD/IIA.

G. Sub-contracting

Subcontracting under this PASA for any services and/or commodities must be authorized by the A.I.D. Agreement Officer.

H. Voucher Identification

In each issuance of voucher (SF 1034) submission the following identification data will appear on the face of the voucher:

PASA: AG/DSB-236-14-76
Project: 931-0236.01
Project Officer: DS/ABR/EPP:RSuttor

BUDGET PLAN APPENDIX B PAGE <u>1</u> OF <u>1</u>	PARTICIPATING AGENCY SERVICE AGREEMENT BETWEEN THE AGENCY FOR INTERNATIONAL DEVELOPMENT AND U.S. Department of Agriculture		1. PASA NO. AG/DSB-236-14076	2. AMENDMENT NO. 7	3. FISCAL YEAR 1980-81	
			4. APPROPRIATION 72-1101021.3	5. ALLOTMENT 043-36-099-00-20-01	6. AMOUNT CURRENTLY FUNDED	
7. FUNDED BY	PIO/T-OBLIG. NO.	AMOUNT	PIO/T-OBLIG. NO.	AMOUNT	PIO/T-OBLIG. NO.	AMOUNT
	931-0236.01-3606619					
8. PASA BUDGET PLAN - FUNDING			9. STAFFING			
DESCRIPTION		AMOUNT	NAME AND TITLE	GRADE	PERIOD (MONTHS/DAYS)	AMOUNT
SALARIES		\$121,394	Budget Estimate from June 1, 1980 - September 30, 1981.			
Salary increase @ 6.5%		7,891		GS		
BENEFITS (9.5% OF SALARIES)		12,282				
DIFFERENTIAL (_____ % OF SALARIES)			Agricultural Economist, ESCS	14/1	12	\$34,713
LEAVE FACTOR (TDYs ONLY)			Soil Scientist, ESCS	14/1	6	17,357
(_____ % OF SALARIES & BENEFITS)			Agronomist, ESCS	14/1	6	17,357
TRAVEL (EXPLAIN BELOW)		1/ 3,000	Resource Scientist, ESCS	14/1	6	17,357
PER DIEM (EXPLAIN BELOW)		2/ 5,000	Systems Analyst, EXCS	14/1	3	8,679
Rent, Communications, Utilities		3/ 5,000	Remote Sensing Scientist, Michigan State University*	13/1	6	14,688
MOVEMENTS/STORAGE OF EFFECTS (DOMESTIC)			Clerical/Admin. Support, ESCS	5/1	12	11,243
OTHER: (SPECIFY BELOW)		4/ 5,433	*Cooperative Agreement between U.S.D.A. and Michigan State University			
OVERHEAD <input type="checkbox"/> SALARIES & BENEFITS PERSONNEL COSTS <input checked="" type="checkbox"/> ALL COSTS		25% 40,000				
TOTAL (INCLUDES _____ TO BE FUNDED BY FUTURE PASA ADMDNMENTS)		\$200,000				

EXPLANATORY COMMENTS

- 1/ Approx. \$1,000 for domestic travel - 2-3 rd trips East Lansing, Michigan/DC; and \$2,000 for international travel - 1 rd trip DC/Sudan, and 1 rd trip DC/Dominican Republic.
- 2/ Includes approx. 26 days in-country per diem @ average of \$73 p/d in the Dominican Republic, plus \$300 in-transit and miscellaneous expenses (\$2,250); and approx, 10 days in DC @ \$50 p/d, plus \$52 miscellaneous expenses.
- 3/ For office space, and equipment, communications and utilities at Michigan State University.
- 4/ Includes Printing and Reproduction of the following reports, as specified in the scope of work:

931-0236.01

AGENCY FOR INTERNATIONAL DEVELOPMENT
**PROJECT AUTHORIZATION AND REQUEST
 FOR ALLOTMENT OF FUNDS PART I**

1. TRANSACTION CODE
 A ADD
 C CHANGE
 D DELETE

2. DOCUMENT CODE
 PAF
 5

3. COUNTRY ENTITY
 DS/AGR; RDA-1

4. DOCUMENT REVISION NUMBER
 5

5. PROJECT NUMBER (7 digits)
 931-0236.01

6. BUREAU/OFFICE
 A. SYMBOL: DSB
 B. CODE: 10

7. PROJECT TITLE (Maximum 40 characters)
 Expanded Program - CRIES

8. PROJECT APPROVAL DECISION
 A APPROVED
 D DISAPPROVED
 DK DCAUTHORIZED

9. EST. PERIOD OF IMPLEMENTATION (Extension)
 YRS. 0 1
 QTRS. 0

10. APPROVED BUDGET AND APPROPRIATED FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE				E. 1ST FY <u>80</u>		K. 2ND FY <u>80</u>		L. 3RD FY <u>81</u>	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	I. GRANT	J. LOAN	M. GRANT	N. LOAN		
(1) <u>ARRDN</u>	180 I	053		1,502		200			0		
(2)											
(3)											
(4)											
TOTALS				1,502		200			0		

A. APPROPRIATION	N. 4TH FY <u>82</u>		O. 5TH FY <u>83</u>		LIFE OF PROJECT		1. PROJECT FUNDING AUTHORIZED	
	P. GRANT	Q. LOAN	R. GRANT	S. LOAN	T. GRANT	U. LOAN	ENTER APPROPRIATE CODE(S):	GRANT LOAN
(1) <u>ARRDN</u>	0		0		1,702		1 - LIFE OF PROJECT	2
(2)							2 - INCREMENTAL LIFE OF PROJECT	
(3)								
(4)								
TOTALS		0		0	1,702		C. PROJECT FUNDING AUTHORIZED THRU	81

12. INITIAL PROJECT FUNDING ALLOTMENT REQUESTED (\$000)

13. FUNDS RESERVED FOR ALLOTMENT

A. APPROPRIATION	B. ALLOTMENT REQUEST NO.		TYPED NAME (Chief, SER, FM, FSD)
	C. GRANT	D. LOAN	
(1)			
(2)			
(3)			
(4)			
TOTALS			

SIGNATURE _____
 DATE _____

14. SOURCE/ORIGIN OF GOODS AND SERVICES
 000 941 LOCAL OTHER _____

15. FOR AMENDMENTS, NATURE OF CHANGE PROPOSED

The planned technical assistance to the Dominican Republic and Honduras will be completed by September 1980. This incremental funding of \$200,000 will provide for a one (1) year extension which is required to synthesize the experience gained over the four years of technical assistance under the project and assist DS/AGR in the design of its new agricultural planning and policy analysis project.

FOR PPC/PIAS USE ONLY	16. AUTHORIZING OFFICE SYMBOL	17. ACTION DATE	18. ACTION REFERENCE (Optional)	ACTION REFERENCE DATE
		MM DD YY		MM DD YY

PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS
PART II

ENTITY : DS Bureau

PROJECT : Expanded Program of Economic Analysis - CRIES

PROJECT NO: 931-0236.01

I hereby authorize an additional \$200,000 for use in PASA Number AG/TAB-236-14-76 with the U. S. Department of Agriculture. Funds will be used to synthesize the experience gained over the four years of technical assistance under the Comprehensive Resource Inventory and Evaluation System (CRIES) activity and to assist DS/AGR in the design of its new agricultural planning and policy analysis project.

The CRIES activity was started in June 1976 and will be completed September 30, 1981. With the additional \$200,000, life of project funding will be \$1,701,800.


E. N. Babb
Deputy Assistant Administrator
for Food and Nutrition
Bureau for Development Support

Date: 5-12-80

Clearances:

DS/AGR/EPP:RLEhrich	<u>RL</u>	Date	<u>5/12/80</u>
DS/AGR:SEngberg	<u>SE</u>	Date	<u>4/28/80</u>
DS/AGR:RRSolem	<u>RS</u>	Date	<u>5/5/80</u>
DS/AGR:TO'Hare	<u>TH</u>	Date	<u>5/12/80</u>
DS/PO:BCchapnick	<u>BC</u>	Date	<u>5/12/80</u>
DS/PO:ASilver	<u>AS</u>	Date	<u>5/12/80</u>

Budget for Incremental Funding of \$200,000 for CRIES Project

	<u>Person-months</u>	<u>Cost</u>
Agricultural Economist	12	\$39,000
Soil Scientist	6	19,500
Agronomist	6	19,500
Resource Scientist	6	19,500
Remote Sensing Scientist	6	19,500
Systems Analyst	3	9,750
Clerical/Technical Support	12	12,000
Total Salary & Benefits		<u>\$138,750</u>
Travel		8,000
Rent, communication, utilities		5,000
Supplies & materials		3,000
Printing & reproduction		5,250
Sub-Total		<u>\$160,000</u>
Overhead		40,000
Grand Total		<u>\$200,000</u>

APR 23 1980

ACTION MEMORANDUM FOR THE DEPUTY ASSISTANT ADMINISTRATOR FOR FOOD AND NUTRITION,
BUREAU FOR DEVELOPMENT SUPPORT

THRU: DS/PO, Bernard Chapnick *BC*

FROM: DS/AGR, Richard R. Solem *RRS*

SUBJECT: Incremental funding for Comprehensive Resource Inventory and
Evaluation System (CRIES) project

Problem: Your approval is required to extend the termination date of Project No. 931-0236.01 from September 30, 1980 to September 30, 1981 and add \$200,000 to the authorized funding for the Comprehensive Resource Inventory and Evaluation (CRIES) project.

Discussion: The present termination date for the CRIES project is September 30, 1980. The authorized life of project funding is \$1,502,000. It is recommended that the termination date be extended one year to September 30, 1981 and that the authorized life of project funding be increased by \$200,000 to \$1,702,000. Funds to cover this requested increase are available from funds previously reserved for the Adaptation of CRIES project. That project was not recommended for approval. Thus, we propose to reprogram the FY 80 portion of those funds for accomplishing the objectives detailed below.

While the planned technical assistance to the Dominican Republic and Honduras will be completed by September 1980, the additional year is required to synthesize the experience gained over the four years of technical assistance under the project and assist DS/AGR in the design of its new agricultural planning and policy analysis project.

The synthesis documents will be based on the experience of the CRIES team in the Dominican Republic, Costa Rica, Nicaragua, Honduras and Syria. (Work in Syria was funded by the Near East Bureau.) The following types of documents will be produced:

1. Basic land resource classification criteria, methods and procedures. The CRIES team has been using the USDA Soil Taxonomy and a specially developed crop-climate taxonomy in their work in Latin America and Syria. One or more documents will be written to describe the taxonomies, the types of data and how they are assembled, and the integration of these data to delineate resource planning units.
2. Users' manuals for computer software and information systems. The CRIES team has written and tested a set of computer programs for use in the automated information systems. Analysts in the Dominican Republic and Costa Rica have learned to use the software and information systems through workshops presented by the CRIES staff. The more complete documentation to be produced will allow other users to learn on their own.

3. Relationship of area frame sampling and the CRIES land resource base. Many LDC governments have adopted or are in the process of adopting area frame sampling for the purpose of collecting agricultural statistics. The CRIES land resource base has been proposed as a more efficient means for stratifying the area sample. It is currently being used to stratify the revised area sample in the Dominican Republic. A document will be prepared to present the methodology, assess the experience in the Dominican Republic, and make recommendations for possible uses in other countries.
4. Implications of using alternative levels of the Soil Taxonomy in national resource policy analysis. Detailed soil maps for the Cibao Valley in the Dominican Republic provide the data base for a numerical analysis of alternative model formulations using different levels of the Soil Taxonomy. The economic model is being solved with different levels of aggregation and the results compared. A document will be prepared to present these results and make recommendations for the use of soils data in economic models in other countries.
5. Institutional relationships. The CRIES project succeeded in linking several institutions and individuals with different scientific backgrounds to establish a viable agricultural resource planning capacity in the Dominican government. This experience will be documented as a case study that should be helpful in designing other institution building projects.

These various documents will be useful to AID, other donors, international agencies and LDC scientists, as well as to DS/AGR in the design of its agricultural planning and policy analysis project.

The CRIES team will also work directly with DS/AGR in the design effort. This will take the form of consultations and participation in workshops on the following subjects: (1) Data collection issues, including relative merits of area and household frames, and integration of data collected by ground enumerators and remote sensing; (2) Appropriate computer hardware and software and institutional arrangements for processing agricultural data; (3) Analytical approaches for addressing natural resource issues; (4) Institutional arrangements for policy analysis of natural resource issues; (5) Land classification concepts for multi-purpose uses.

Recommendation: That you approve extension of the termination date to September 30, 1981 and the addition of \$200,000 to the authorized funding for the CRIES project by signing the attached PAF.

Attachment:

PAF

Budget for Incremental Funding

Clearances:

DS/AGR/EPP:RLEhrich	<u>RL</u>	Date	<u> </u>
DS/AGR:SEngberg	<u>RL</u>	Date	<u>4/30/80</u>
DS/AGR:TO'Hare	<u>RL</u>	Date	<u>4/30/80</u>
DS/PO:ASilver	<u>RL</u>	Date	<u>5/15/80</u>

RES
DS/AGR/EPP:RSutton:mmb:4/18/80:X58946

931-0236

AGENCY FOR INTERNATIONAL DEVELOPMENT
**PROJECT AUTHORIZATION AND REQUEST
 FOR ALLOTMENT OF FUNDS PART I**

1. TRANSACTION CODE
 A ADD
 C CHANGE
 D DELETE

PAF
 2. DOCUMENT CODE
 5

3. COUNTRY/ENTITY
 Development Support Bureau

4. DOCUMENT REVISION NUMBER

5. PROJECT NUMBER (7 digits)

6. BUREAU/OFFICE
 A SYMBOL B CODE
 DSB

7. PROJECT TITLE (Maximum 40 characters)

8. PROJECT APPROVAL DECISION
 A APPROVED
 B DISAPPROVED
 DE DEAUTHORIZED

9. EST. PERIOD OF IMPLEMENTATION
 YRS QTRS

10. APPROVED BUDGET AID APPROPRIATED FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		E. 1ST FY		H. 2ND FY		K. 3RD FY	
		C GRANT	D LOAN	F GRANT	G LOAN	I GRANT	J LOAN	L GRANT	M LOAN
(1) FN	185I	052		136	-	0	-	0	-
(2)									
(3)									
(4)									
TOTALS				136	-	0	-	0	-

A. APPROPRIATION	N. 4TH FY		O. 5TH FY		LIFE OF PROJECT		11. PROJECT FUNDING AUTHORIZED ENTER APPROPRIATE CODES: 1. LIFE OF PROJECT 2. INCREMENTAL LIFE OF PROJECT C. PROJECT FUNDING AUTHORIZED THRU <input type="text" value="1"/> <input type="text" value="1"/>
	P GRANT	R LOAN	S GRANT	T LOAN	U GRANT	V LOAN	
(1) FN	0	-	0	-	136	-	2
(2)							
(3)							
(4)							
TOTALS	0	-	0	-	136	-	

12. INITIAL PROJECT FUNDING ALLOTMENT REQUESTED (\$000)

A. APPROPRIATION

B. ALLOTMENT REQUEST NO. _____

C. GRANT D. LOAN

13. FUNDS RESERVED FOR ALLOTMENT

TYPED NAME (Chief, SFR, FM, FSD)

SIGNATURE

DATE

14. SOURCE/ORIGIN OF GOODS AND SERVICES
 000 941 LOCAL OTHER _____

15. FOR AMENDMENTS, NATURE OF CHANGE PROPOSED

This amendment extends the life of project AID/ta-CA-2 for (3) months with the Ohio State University from June 30, 1980 to September 30, 1980. No additional funds are required for this extension.

FOR PPC/PIAS USE ONLY

16. AUTHORIZING OFFICE SYMBOL

17. ACTION DATE
 MM DD YY

18. ACTION REFERENCE (Optional)

ACTION REFERENCE DATE
 MM DD YY

PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS

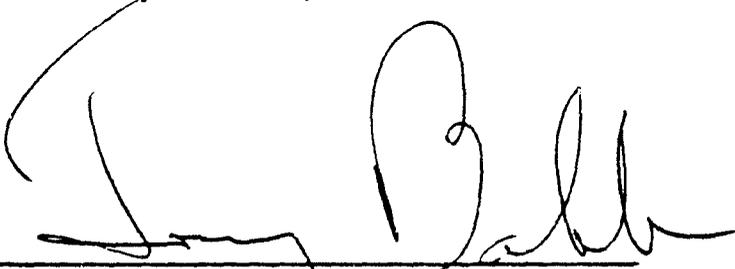
PART II

ENTITY: DS Bureau

PROJECT: Expanded Program of Economic Analysis -- Rural Poor in El Salvador

PROJECT NUMBER: 931-0236.10

I hereby authorize a non-funded extension of the termination date for "Rural Poor Survey in El Salvador," an activity under the Expanded Program of Economic Analysis from June 30, 1980 to September 30, 1980.



E. N. Babb
Deputy Assistant Administrator
for Food and Nutrition
Bureau for Development Support

Date: 7-10-80

Clearances:

DS/AGR/EPP:RLEhrich	<u>RJE</u>	Date	<u>6/26/80</u>
DS/AGR:MMcCoyynski	<u>MM</u>	Date	<u>6/30/80</u>
DS/AGR:RRSolem	<u>RR</u>	Date	<u>7/1/80</u>
DS/AGR:TO'Hare	<u>TH</u>	Date	<u>7/1/80</u>
DS/PO:BChapnick	<u>BC</u>	Date	<u>7/7/80</u>
DS/PO:ASilver	<u>AS</u>	Date	<u>7/6/80</u>



The Ohio State University

Department of
Agricultural Economics
and Rural Sociology

2120 Fyffe Road
Columbus, Ohio 43210

Phone 614 422-7911

June 16, 1980

Richard E. Suttor
United States International
Development Cooperation Agency
Agency for International Development
Washington, D.C. 20523

Dear Dick:

As was agreed upon at the recent meeting in Washington, D.C., I am requesting a no cost extension of the Cooperative Agreement AID/ta-CA-~~7~~2 for a three-month period. This will permit additional analysis of social services -- water, electricity, housing conditions, sewer -- and families below the poverty level. It is my understanding that additional work to be undertaken beyond the current scope of work and this requested amendment will be developed in consultation with the USAID Mission in El Salvador and LAC Bureau in AID/Washington and possible supplemental funding will be negotiated during the three-month period.

Thanks.

Sincerely,

A handwritten signature in cursive script that reads 'Bill Flinn'.

William L. Flinn
Associate Chairman

WLF/tlc

cc: William Goodwin
Wayne Nilsestuen
George Like

JUN 30 1980

ACTION MEMORANDUM FOR THE DEPUTY ASSISTANT ADMINISTRATOR FOR FOOD AND NUTRITION,
BUREAU FOR DEVELOPMENT SUPPORT

THRU: DS/PO, Bernard Chappnick *(original)*

FROM: DS/AGR, Richard R. Solem *RRS*

SUBJECT: Expanded Program of Economic Analysis - Rural Poor Survey in El Salvador (931-0236.10; Cooperative Agreement AID/ta-CA-2)

Problem: Your authorization is required for a three month (from June 30 to September 30, 1980) non-funded extension of subject project.

Discussion: The three month extension will enable the cooperator, Ohio State University, to conduct additional analysis not specified in the Cooperative Agreement. The cooperator will produce an analysis of social services -- water, electricity, housing conditions, sewer -- and families below the poverty level, in addition to the products specified in the cooperative agreement.

As noted in the attached letter from Ohio State, the El Salvador Mission and LAC Bureau are considering further work using the same data base. Any such work would be funded by the Mission.

Recommendation: That you approve the three month unfunded project extension by signing the attached PAF.

Attachment: a/s

Clearances:

DS/AGR/EPP:RLEhrich	<i>RLE</i>	Date	<i>6/26/80</i>
DS/AGR:M Mozynski	<i>mm</i>	Date	<i>6/30/80</i>
DS/AGR:TO'Hare		Date	
DS/PO:ASilver	<i>as</i>	Date	<i>7/2/80</i>

DS
DS/AGR/EPP:RSuttof:dar:6/24/80:X58946

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS PART I	1. TRANSACTION CODE <input type="checkbox"/> A ADD <input checked="" type="checkbox"/> C CHANGE <input type="checkbox"/> D DELETE	PAF 2. DOCUMENT CODE 5
---	--	------------------------------

2. COUNTRY ENTITY DS/AGR/EPP	4. DOCUMENT REVISION NUMBER <input type="text" value="1"/>
---------------------------------	---

3. PROJECT NUMBER (7 digits) <input type="text" value="931-0236.03"/>	5. BUREAU/OFFICE A SYMBOL B CODE DSB/EPP <input type="text" value="10"/>	7. PROJECT TITLE (Maximum 40 characters) <input type="text" value="Lesotho Agricultural Sector Analysis"/>
--	--	---

8. PROJECT APPROVAL DECISION <input checked="" type="checkbox"/> A APPROVED <input type="checkbox"/> D DISAPPROVED <input type="checkbox"/> DE DISAUTHORIZED	9. EST. PERIOD OF IMPLEMENTATION YRS <input type="text" value="0"/> <input type="text" value="1"/> QTRS <input type="text" value="0"/>
---	--

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		Cumulative 9/30/79		1st FY 80		2nd FY 81	
		C GRANT	D LOAN	F GRANT	G LOAN	I GRANT	J LOAN	L GRANT	M LOAN
(1) FN	180 I	053		1123		0		0	
(2)									
(3)									
(4)									
TOTALS				1123		0		0	

A. APPROPRIATION	N 3rd FY 82		Q 4th FY 83		LIFE OF PROJECT		PROJECT FUNDING AUTHORIZED		1 GRANT 2 LOAN
	O GRANT	P LOAN	R GRANT	S LOAN	T GRANT	U LOAN	ENTER APPROPRIATE CODES: 1- LIFE OF PROJECT 2- INCREMENTAL LIFE OF PROJECT	1	
(1)	0		0		1123				
(2)									
(3)									
(4)									
TOTALS		0		0		1123			

last funding year
PROJECT FUNDING AUTHORIZED THRU

12. INITIAL PROJECT FUNDING ALLOTMENT REQUESTED (\$000): A. APPROPRIATION B. ALLOTMENT REQUEST NO. _____ C. GRANT D. LOAN	13. FUNDS RESERVED FOR ALLOTMENT TYPED NAME (incl. SER. FM FSD) SIGNATURE DATE
(1) (2) (3) (4) TOTALS	

14. SOURCE/ORIGIN OF GOODS AND SERVICES
 000 341 LOCAL OTHER _____

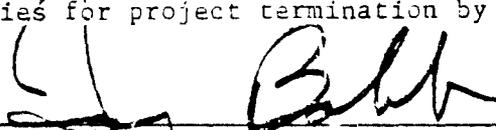
15. FOR AMENDMENTS, NATURE OF CHANGE PROPOSED
 The one year (August 31, 1980 to August 30, 1981) unfunded project extension is requested to allow for the orderly completion and summarization of work produced to date under project supported activities. The differential of \$286,000 between the \$1,123,000 listed above and the \$1,409,000 contained in attached project budget description represents Africa Bureau's contribution to project support.

FOR PPC/PIAS USE ONLY	16. AUTHORIZING OFFICE SYMBOL	17. ACTION DATE MM DD YY	18. ACTION REFERENCE (Optional)	ACTION REFERENCE DATE MM DD YY
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PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS
PART II

ENTITY : Bureau for Development Support
PROJECT : Lesotho Agricultural Sector Analysis
PROJECT NO: 931-0236.03

I hereby authorize a twelve month extension (from August 31, 1980 to August 30, 1981) of the subject project with Colorado State University. The total approved funding level for this project remains at \$1,123,000. The extension of the project will allow for orderly completion and summarization of activities for project termination by August 30, 1981.



E. N. Babb
Deputy Assistant Administrator
for Food and Nutrition
Bureau for Development Support

Date: 5. 26. 80

Attachments:
DS/AGR Memo to DAA/FN/DSB
CSU Formal Request for Extension
Scope of Work
LASA Project Budget

Clerances:
DS/AGR/EPP:FLEhrich _____ Date _____
DS/AGR/EPP:TO'Hare _____ Date _____
DS/AGR:SEngberg _____ Date 11/21/80
DS/AGR:RSolem LRC _____ Date 5/14/80
DS/PO:A lIver ael _____ Date 5/20/80
DS/PO:BChapnick 660 74 ✓ _____ Date 5/21/80

MAY 19 1980

ACTION MEMORANDUM FOR THE DEPUTY ASSISTANT ADMINISTRATOR FOR FOOD AND NUTRITION,
BUREAU FOR DEVELOPMENT SUPPORT

THRU: DS/PO, Bernard Crappack

FROM: DS/AGR/D, Richard R. Solem

SUBJECT: Lesotho Agricultural Sector Analysis (LASA) (931-0236.03; Cooperative Agreement No. AID/ta-CA-1) with the Colorado State University (CSU).

Problem: Your authorization is required for a twelve month (from August 31, 1980 to August 30, 1981) non-funded extension of subject project.

Discussion: A.I.D. initiated this project under a cooperative agreement with Colorado State University and a project agreement with the Government of Lesotho in September, 1976. The project's major purposes are to develop the Government of Lesotho's ability to analyze, utilize, and update information generated by agricultural sector analyses and, at the same time, establish a long-term institutional relationship between a U.S. University and Lesotho's Ministry of Agriculture.

Project implementation delays resulting from the lack of adequate support facilities for field staff were encountered from the very beginning. Those implementation problems along with a decision to postpone the initiation of certain project components until such time that Lesothan participants could complete project supported training and more fully contribute to project development have contributed to the need for a one year extension of this cooperative agreement's termination date. It should be pointed out, however, other important project components have been or are about to be completed in a timely manner. Those components include; the establishment of an agricultural economics and planning library in Lesotho, the training of Basotho participants both in the United States and Lesotho, and the initiation of an agricultural sector analysis in Lesotho. The work scheduled to be performed in Lesotho has been completed and the one year project extension will be used to complete the agricultural sector analyses report at the campus of Colorado State University.

The work to be performed during this twelve month extension is specified in a scope of work (attached) that was included in the February 10, 1980 evaluation of the Lesotho Agricultural Sector Analyses Project. This project continuation is based on the findings of that evaluation which recommended the extension of the cooperative agreement's termination date by one year to permit the LASA team time to perform agricultural policy and program analyses, provide short term technical assistance to Lesotho, and continue on-going student training.

Recommendation: That you approve the one year unfunded project extension by signing the attached PAF.

Attachment: a/s

Clearances:

DS/AGR/EPP:RLEhrich	<u>[Signature]</u>	Date	<u>5/11/80</u>
DS/AGR:SEngberg	<u>[Signature]</u>	Date	<u>5/11/80</u>
DS/AGR:TO'Hare	<u>[Signature]</u>	Date	<u>5/11/80</u>
DS/PO:ASilver	<u>[Signature]</u>	Date	<u>5/11/80</u>

DS/AGR/EPP:RSuttor:mmb:5/7/80:x58946

Project Budget

AID obligations for the first three years of the project, through September 30, 1979, totaled \$1,409,000 of which \$1,018,900 was formally budgeted by line item in the Cooperative Agreement. Total expenditures for the same period were \$900,485. This left an unspent balance of \$118,055 against the formally budgeted amount and an unexpended balance of \$508,515 against total obligations. Almost all the underspent amount occurred during the first two years of the project during which \$600,597 was spent against a budgeted level of \$708,182.

This carryover was due largely to lower than anticipated usage of professional staff and consultants, which reflects the decision taken early in the second year to significantly reduce or eliminate the teaching of graduate courses in Maseru by on-campus project support faculty. At the time, it was expected that the savings would be reallocated to policy and program related TDY visits by campus support personnel. However, operational constraints within the MOA have prevented all but a nominal use of CSU personnel for such purposes.

With the close out of the field team in Maseru plus the completion of degrees by students and their return to Lesotho, anticipated expenditures during the period 10/79 through 8/80 will be \$318,400. Thus at the end of August 1980, total expenditures should be \$1,309,000 against an obligated amount of \$1,409,000. Unexpended balance will closely approximate \$100,000.

Table 1
 Colorado State University
 Cooperative Agreement No. AID/ta-CA-1
 LASA Project Budget
 Fund 33-1771-1523

Items	Expenditures			Total Expenditures	Total Budget 9-30-79	Balance Remaining
	9-1-76/ 9-30-77	10-1-77/ 9-30-78	10-1-78/ 9-30-79			
Salaries						
<u>Home Office-CSU:</u>						
Project Management	\$ 990.00	\$ 8,784.73	\$ 11,626.26	\$ 21,400.99	\$ 42,000.00	\$ 20,599.01
Professional Staff	40,492.02	20,845.98	30,025.35	91,363.35	54,700.00	(36,663.35)
Consultant Staff	2,400.83	-	-	2,400.83	-	(2,400.83)
Other Consultants	506.42	626.22	1,854.32	2,986.96	26,100.00	23,113.04
Secretarial	5,221.53	7,660.90	9,427.50	22,309.93	27,600.00	5,290.07
GRA	4,053.64	(.01)	1,628.63	5,692.26	-	(5,692.26)
Sub-Total	<u>53,674.14</u>	<u>37,917.92</u>	<u>54,552.96</u>	<u>146,154.32</u>	<u>150,400.00</u>	<u>4,245.68</u>
<u>Field Office-Maseru:</u>						
Professional Staff	7,376.49	79,851.31	83,263.77	175,501.57	211,400.00	35,898.43
Secretarial	906.61	10,019.02	11,403.00	22,328.63	12,500.00	(9,828.63)
GRA	275.36	6,775.01	10,149.75	17,201.12	14,500.00	(2,701.12)
Sub-Total	<u>8,559.46</u>	<u>96,655.34</u>	<u>103,816.52</u>	<u>215,031.32</u>	<u>238,400.00</u>	<u>23,368.68</u>
Total Salaries	\$ <u>62,233.90</u>	\$ <u>134,573.16</u>	\$ <u>164,378.98</u>	\$ <u>361,185.64</u>	\$ <u>388,800.00</u>	\$ <u>27,614.36</u>

(Continued)

Table 1 (Continued)

Items	Expenditures			Total Expenditures	Total Budget 9-30-79	Balance Remaining
	9-1-76/ 9-30-77	10-1-77/ 9-30-78	10-1-78/ 9-30-79			
Fringe Benefits-10.64%						
On-Campus	\$ 4,507.76	\$ 3,473.05	\$ 4,990.97	\$ 12,971.79	\$ 16,000.00	\$ 3,028.21
Off-Campus	881.33	9,563.75	10,604.46	21,049.04	23,800.00	2,750.96
Total Fringe Benefits	<u>5,389.09</u>	<u>13,036.31</u>	<u>15,595.43</u>	<u>34,020.83</u>	<u>39,800.00</u>	<u>5,779.17</u>
Overhead (Indirect Costs)						
On-Campus-30%	19,678.73	13,907.90	26,275.01	59,861.64	42,700.00	(17,161.64)
Off-Campus-15.2%	1,435.00	16,364.86	16,212.77	34,012.63	43,500.00	9,487.37
Total Overhead	<u>21,113.73</u>	<u>30,272.76</u>	<u>42,487.78</u>	<u>93,874.27</u>	<u>86,200.00</u>	<u>(7,674.27)</u>
Travel-Transportation						
Travel-Per Diem	12,510.48	15,346.28	20,817.05	48,673.81	100,300.00	51,626.19
Shipping & Storage	885.70	30,421.20	5,915.27	37,222.17	52,500.00	15,277.83
Payment in Lieu of Auto Ship	6,000.00	-	-	6,000.00	-	(6,000.00)
Total Travel & Transp.	<u>19,396.18</u>	<u>45,767.48</u>	<u>26,732.32</u>	<u>91,895.98</u>	<u>152,800.00</u>	<u>60,904.02</u>
Allowances						
Post Differential-10%	855.95	9,356.01	8,521.73	18,733.69	23,800.00	5,066.31
Educ./Utilities/Rent	-	4,743.42	9,549.07	14,292.49	8,200.00	(6,092.49)
Total Allowances	<u>855.95</u>	<u>14,099.43</u>	<u>18,070.80</u>	<u>33,026.18</u>	<u>32,000.00</u>	<u>(1,026.18)</u>
Other Direct Costs						
Workmen's Compensation (9-12%) & Insurance	-	10,255.20	10,776.58	21,031.78	35,400.00	14,368.22
Campus Equipment/Supp/ Passports/Medical	4,502.81	3,688.00	4,528.18	12,718.99	31,500.00	18,781.01
Total O.D.C.	<u>4,502.81</u>	<u>13,943.20</u>	<u>15,304.76</u>	<u>33,750.77</u>	<u>66,900.00</u>	<u>33,149.23</u>
SUB-TOTAL - (TAB) D:	<u>\$ 113,491.66</u>	<u>\$ 251,692.34</u>	<u>\$ 282,569.67</u>	<u>\$ 647,753.67</u>	<u>\$ 766,500.00</u>	<u>\$ 118,746.33</u>

Table 1 (Continued)

Items	Expenditures			Total Expenditures	Total Budget 9-30-79	Balance Remaining
	9-1-76/ 9-30-77	10-1-77/ 9-30-78	10-1-78/ 9-30-79			
<u>Commodities</u>						
Vehicles/Transp. Equip.	\$ 371.50	\$ 14,461.80	\$ (116.45)	\$ 14,716.85		
Other Equip./Supplies	2,268.16	13,399.28	12,589.22	28,256.66		
Library Development	5,216.00	4,265.26	3,380.43	12,861.69		
Total Commodities	<u>7,855.66</u>	<u>32,126.34</u>	<u>15,853.20</u>	<u>55,835.20</u>	<u>58,700.00</u>	<u>2,864.80</u>
<u>Participant Training/Support</u>						
Salaries	7,920.00	7,070.00	23,558.42	38,548.42		
Travel	4,964.76	7,055.15	11,302.06	23,321.97		
Academic/Other	1,434.98	8,018.16	14,860.22	24,313.36		
Total Participant T&S	<u>14,319.74</u>	<u>22,143.31</u>	<u>49,720.70</u>	<u>86,183.75</u>	<u>67,800.00</u>	<u>(18,383.75)</u>
<u>Local Office Support</u>						
Add/Less Advance to						
Field Office Account*	10,000.00	(10,000.00)	-	-	-	-
Advance for Revolving						
Fund Field Office **	-	10,000.00	5,000.00	15,000.00	-	-
Total Office Support	<u>10,000.00</u>	<u>1,186.25</u>	<u>9,886.11</u>	<u>21,072.36</u>	<u>35,900.00</u>	<u>14,827.64</u>
Local Construction***	90,000.00	-	-	90,000.00	90,000.00	-
SUB-TOTAL - AFRICA BUREAU	<u>\$ 122,175.40</u>	<u>\$ 55,455.90</u>	<u>\$ 75,460.01</u>	<u>\$ 253,091.31</u>	<u>\$ 252,400.00</u>	<u>\$ (691.31)</u>
TOTAL CSU FUNDING FROM AID	<u>\$ 235,667.06</u>	<u>\$ 307,148.24</u>	<u>\$ 358,029.68</u>	<u>\$ 900,844.98</u>	<u>\$ 1,018,900.00</u>	<u>\$ 118,055.02</u>
CSU Contribution						
(Overhead foregone)	\$ 31,133.10	\$ 26,648.84	\$ 31,973.64	\$ 89,755.58	\$ 89,755.58	-
TOTAL PROJECT COSTS	<u>\$ 266,800.16</u>	<u>\$ 333,797.08</u>	<u>\$ 390,003.32</u>	<u>\$ 990,600.56</u>	<u>\$ 1,108,655.58</u>	<u>\$ 118,055.02</u>
AID's Share of Total Costs	88.3%	92.0%	91.8%	90.9%	-	-

*Advance to Field Office for start-up expenses.

**For operating expenses, Rand and U.S. Dollar accounts. Not project funds--advanced by CSU State funds.

***For local housing construction for field party families.

WORK PLAN

Lesotho Agricultural Sector Analysis Project

February 1, 1980 - August 30, 1981

Objective:

To complete the present research program covering Lesotho's agricultural sector, its past, present and potential future, and to relate these results fully to major current issues of agricultural policy, program design and long-term development strategies for the sector.

Probable Outputs:

1. A completed agricultural sector analysis tailored to current development issues.
2. An in-depth analysis of the dynamics of Lesotho's farm households, prepared for use as a key determinant of policy.
3. Preliminary assemblage and analysis of regional data in support of regional planning and development efforts.
4. A monograph on concepts and practical problems of institution building - the lessons from Lesotho.
5. A book length analysis of employment problems and issues in Lesotho leading toward an overall employment strategy for agriculture.

Introductory Note

The term "sector analysis" means many things to different people. These varying definitions are often precisely articulated leading to very definite expectations as to content, methodology and format. No given product can meet everyone's expectations.

We propose below an outline of an agricultural sector analysis for Lesotho. The outline does not follow the standard format entirely. Instead we have tried to emphasize those issues which currently dominate agricultural development efforts in the country, and which seem to be those of enduring concern to planners. While it may not be obvious in each section of the outline policy and program implications will be explicitly drawn wherever possible.

Finally, work on this effort has not progressed as was planned in June of 1978, primarily due to revisions of project emphasis mandated by MOA during Phase III. Therefore to complete an adequate analysis - one which will underpin planning and policy analysis in Lesotho for some years - will require intensive efforts extending beyond August 1980. Following the outline is a schedule of activities indicating what will be completed before and after August 30, 1980 and how these efforts fit together to support the final products identified above.

Probable Outline of an Analysis of the Agricultural Sector in Lesotho
with Implications for Planning and Policy

I. LESOTHO'S DEVELOPMENT ENVIRONMENT - THE MACRO SETTING

A. On Being Surrounded by South Africa

1. Price determination by RSA
2. Monopolization of marketing channels by RSA
3. Constraints and benefits arising from Custom's Union and Rand Monetary Agreement
4. Drain on male labor supply

B. The Structure of Lesotho's Economy

1. GDP, GNI and economic growth since Independence
2. Components of national product
3. Trade patterns and balance of payments
4. Employment - its regional and sectoral distribution, wages, trends
5. Population, food balances, consumption levels and nutritional deficiencies

C. Agricultural Resources for Development

1. Soils
2. Water
3. Climate
4. Manpower

II. AGRICULTURE DURING THE 1970'S - AN OVERVIEW

A. Introduction and Description of the Data Base

B. Cropping Trends (acreage, yield, regional differences)

C. Livestock Trends (livestock numbers, production)

D. Marketing (quantities of produce, inputs)

E. A Brief Review of Agricultural Development Projects and Programs

F. Effects of the Mine Wage Increase

G. Overall Sectoral Progress During the 1970's

III. THE CROPPING SUBSECTOR

- A. Determinants of Acreage
 - 1. Climate
 - 2. Tillage power
 - 3. Incentive structure
- B. Determinants of Yield
 - 1. Climate, soils
 - 2. Input utilization, timing of operation
 - 3. Incentive structures
- C. A Critical Examination of Dryland Crop Agronomy in Lesotho
- D. Variability in Cropping and Its Economic Meaning
- E. Economic Analysis of Dryland Farming
 - 1. Alternative technologies compared
 - 2. Alternative cropping patterns
 - 3. Emphasis on resource requirements, productive potential and contributions to national agricultural objectives
- F. An Evaluation of Alternative Mechanization Policies (examines wide spectrum to identify most appropriate technology for Lesotho's conditions).
- G. Implications of the 1979 Land Act

IV. LIVESTOCK

- A. Determinants of Present Productivity Levels
- B. A Critical Examination of Current Livestock Husbandry Systems
- C. Economic Analysis of Alternative Husbandry Systems
- D. Regional Implications

V. MARKETING

- A. Description of Marketing Policies and Programs
 - 1. During the 1970's
 - 2. The situation as of 1980
- B. Technical Analysis of Marketing Activities
 - 1. Input supplies
 - 2. Product markets

C. Analysis of Current Marketing Policy Issues

1. Distribution of beneficiaries
2. Government vs. the private sector
3. Alternative uses of pricing policy
4. Marketing margins

VI. EMPLOYMENT AND THE AGRICULTURAL SECTOR

- A. Quantification of the Employment Challenge Facing Lesotho's Agriculture
- B. Labor Relationships in Agriculture
 1. Labor use by crop and activity
 2. Seasonal peaks and surpluses
 3. Off-farm employment
- C. Fundamental Principles for Rural Employment
- D. An Agricultural Employment Strategy

VII. REGIONAL RESOURCE DIFFERENTIALS FOR DECENTRALIZED PLANNING *

- A. Synopsis of MOA Policy and Intent for Regional Development
- B. Regional Resource Differentials
- C. The Case for Decentralization
- D. Village Management of Resources
 1. Existing patterns
 2. Evaluation of alternative forms
 3. Economic factors affecting village resource management

VIII. THE ECONOMICS OF THE FARM HOUSEHOLD - IMPLICATIONS FOR POLICY

- A. Resource Position of Household and Differentials Therein
 1. Land
 2. Livestock
 3. Labor, Management
- B. Sources of Income and Relative Incentives
- C. The Household Life Cycle as an Explanatory Tool
- D. Identifying Target Groups for Agricultural Development

IX. GOVERNMENT ROLES IN AGRICULTURAL DEVELOPMENT

- A. Description of Organization of MOA and Institutional Constraints
- B. Major Agricultural Programs
- C. The Experience with Projects
- D. Other Agencies in Government with Roles in Agricultural Development

X. LOOKING TOWARD THE FUTURE: LONG-RANGE PRIORITIES AND STRATEGIES

- A. Summary of Development Constraints (drawn from previous chapters)
- B. The Long-Term Environment for Planning
- C. Objectives for Long-Range Planning
- D. Subsectoral Strategies
 - 1. Cropping
 - 2. Livestock
 - 3. Agricultural business
- E. Program Options and Actions Needed for Success
- F. Implied Developments in the National Economy

**Work Plan for Completing
Research Outlined Above**

I. LESOTHO'S DEVELOPMENT ENVIRONMENT - THE MACRO SETTING

A. On Being Surrounded by South Africa

- Basic work done, partially presented in ASR
- Some further data collection (5-7/80): JE, KL, RL
- Preliminary draft for discussion with CPDO (7/80): JE
- Final writing (10-11/80): JE, KL-input

B. The Structure of Lesotho's Economy

- Basic data collected. Refinements expected from CPDO (IBRD team) (7/80)
- Additional data to be collected on regional aspects of employment: JE, and food balances and nutrition: GW (3-7/80)
- First draft (6-7/80): JE, GW
- Refined draft (10-11/80): JE, GW

C. Agricultural Resources for Development

- Basic work done and partially presented in ASR
- Analysis for regional differentials (2-7/80): GW
- Chapter draft (11/80): GW, JE

II. AGRICULTURE DURING THE 1970'S - AN OVERVIEW

- Production data collection nearing completion, 1978/79 data not yet available and will need correction (3/80): JE
- Marketing data collection (2/80): RL
- Effects of mine wages to be drafted as discussion paper (2/80): JE
- Sectoral progress during 1970 - adapted from Third Five Year Plan (4-5/80): JE
- Draft for review by (7/80): JE

III. THE CROPPING SUBSECTOR

A&B to be based primarily on regression analysis of 1970 crop statistics.

- Data refinement (2-3/80): JE, KL
- Regressions with rainfall (3-4/80): JE
- Soil moisture estimation model (9-11/80): GW, JE
- Integration of soil moisture, rainfall and temperature (12/80-2/81) GW, JE

C. A Critical Examination of Dryland Crop Agronomy in Lesotho

- Draft section for review by Farming Systems and Research Divisions (5/80): JE

D. Variability in Cropping and Its Economic Meaning

- Preliminary assessment of crop losses due to climatic factors - complete: GW
- Data collection on price variability (2/80): RL
- Integration of risk perception, risk avoidance strategies, empirical data on risks (9-12/80): GW, JE

E. Economic Analysis of Dryland Farming

- First draft based on linear programming analysis (3/80): KL
- Definition of additional questions to be asked of data and model (2-4/80): JE, KL
- Collect additional data if needed (4-6/80): JE
- Refined first draft into circulation (5-7/80): KL, JE
- Application of model to additional policy issues (9/80-2/81): JE, KL

F. An Evaluation of Alternative Mechanization Policies

- Same as E above

G. Implications of the 1979 Land Act

- Land tenure bibliography complete (3/80): JE
- Analysis of implications (10/80 and 1/81): JE, KCN

IV. LIVESTOCK

A. Determinants of Present Productivity Levels

- Data collection in conjunction with FAO Review Team (3/80): JE

B thru D: Analysis to include the following separate efforts:

- Analysis of grazing management component of livestock systems (3-4/80): KL
- Collection of complete set of project documents and livestock analyses (3-7/80): JE
- Analysis of livestock sectoral dynamics reviewed in preliminary fashion by Livestock Division (8/80): JE
- Drafting of chapter (10-11/80): JE

V. MARKETING

A. Description of Marketing Policies and Programs

- Draft to be complete (3/80): RL

B. Technical Analysis of Marketing Activities

- Data collection on flows and volumes (2/80): RL and (3-6/80): JE

C. Analysis of Current Marketing Policy Issues

- Development of issues to be analyzed with MOA (7-8/80): JE
- Analysis of current issues with policy recommendations (9-10/80): RL and 1-2/81): JE

VI. EMPLOYMENT AND THE AGRICULTURAL SECTOR

A. Quantification of the Employment Challenge Facing Lesotho's Agriculture

- Done

B. Labor Relationships in Agriculture

- Partly drawn from economics of dryland farming, drafted by (3/80): KL
- Partly from analysis of labor components of BASP baseline survey (2/80-3-81): RT, RW
- Assembly and analysis (11/80-3/81): RW, JE, RT

C. Fundamental Principles for Rural Employment

- Drafted by (12/80): JE, RW

D. An Agricultural Employment Strategy

- First draft in circulation in Lesotho by (7/80): JE
- Refined draft using BASP data and Tribble thesis by (3/81): JE, RW, RT

VII. REGIONAL RESOURCE DIFFERENTIALS

A. Synopsis of MOA Policy and Intent for Regional Development

- Draft to P.S. for comments by (6/80): GW

B. Regional Resource Differentials

- Climatic data computerized by (3/80): GW
- Analyses of agroclimatic regional differentials (3-7/80): GW
- Assembly and tabulation of other data by regions (3-7/80): GW, JE
- Analysis of implications for regional planning (9-12/80): GW
- Regional planning seminar/workshop (4 or 5/80): GW

C. The Case for Decentralization

- Draft for review by P.S. (5/80): GW, JE

D. Village Management of Resources

- Preliminary conceptualization (3-5/80): GW, JE
- Data collection on existing systems (4-6/80): GW
- Analysis and writing (1-3/81): GW

III. ECONOMICS OF THE FARM HOUSEHOLD**A. Resource Position of Household and Differentials Therein**

- Partially drafted, to be completed by (4/80): JE, KL, RT

B. Sources of Income and Relative Incentives

- Data collected, analysis to be started (4-6/80): JE

C. The Household Life Cycle as an Explanatory Tool

- Conceptualization (2-4/80): JE, GW, KL, RT
- Further data collection (5-6/80): JE, GW
- All household studies in MOF computer to be duplicated in CSU (6/80 and 9/80): GW, JE
- Full development of life cycle hypothesis (9-12/80): JE, KL
- Application to policy issues (1-3/81): JE

D. Identifying Target Groups for Agricultural Development

- Drafting (12/80-1/81): JE

IX. GOVERNMENT ROLES IN AGRICULTURAL DEVELOPMENT**A. Description of Organization of MOA and Institutional Constraints**

- Organization chart to be cleared with MOA (6/80): JE

B and C. Preliminary hypotheses and structure to be developed from evaluation of projects and programs in Second Plan (4/80): JE

- Discussions with technical divisions (5-7/80): JE
- Review of draft w/divisions (7/80): JE
- Final drafting (2/81): JE

D. Other Agencies in Government with Roles in Agricultural Development.

- Interviews to be conducted (5/80), draft to be circulated (6/80) and refined (7/80): JE

X. LOOKING TOWARD THE FUTURE

This chapter is a summary, integration and application of all findings from the above work. As such it will be the principal activity during (1-3/81). We will develop a thumbnail sketch of the future environment for development in Lesotho including identification of major development priorities by April 10, 1980 for the arrival of the Multidonor Agricultural Sector Evaluation Mission. A more detailed elaboration will be ready by July for the Donor's Conference on Agriculture.

I. MISCELLANEOUS

- A. Assist and coordinate the close-out of the LASA project in Maseru, in consultation with USAID/Lesotho and the GOL (7-8/80): JE
- B. Return to Maseru to collect GOL comments and critique on draft of documents (6/81): JE
- C. Final revisions and editing (7-8/81): JE, GW
- D. Publication, distribution (9/81): CSU

I. MONOGRAPH ON INSTITUTION BUILDING - THE LESSONS FROM LESOTHO

- Outline prepared, concepts discussed (2/80): JE, RL
- Assembly of notes from Lesotho experience (3/80): RL and (7-8/80): JE
- Drafting (5-6/80): RL and 9-10): JE, RL



Lesotho Agricultural
Sector Analysis Project
Department of Economics



Colorado State Univer
Fort Collins, Colorado
80523

April 7, 1980

Richard E. Suttor
DS/AGR/AID
Department of State
Washington, D.C. 20523

Subject: Request for Time Extension, LASA Project, No. AID/ta-CA-1

Dear Dick:

This letter constitutes a formal request to extend the termination date of the LASA Project to August 31, 1981 without additional DS/AGR funding. This request is consistent with the primary action recommended by the AID LASA Project Evaluation Team in its report dated February 1980 and which was concurred in by Mr. Frank D. Correl, Lesotho AID Mission Director.

The second major action recommended by the Evaluation Team was the preparation of a Work Plan to cover the period February 1, 1980 to August 31, 1981; a preliminary work plan developed by Team Leader Jerry Eckert was attached to the Evaluation Report as ANNEX E. Following our discussion of this preliminary Work Plan in Washington last week and after further discussions of same with Chaka Ntsane, Acting Permanent Secretary of Agriculture, GOL, this past week in Fort Collins, I submit the following observations and modifications:

1. The activities scheduled for completion in-country by the Field Team prior to August 31, 1980 appear to be on schedule and are therefore accepted as presented in the preliminary Plan of Work.
2. The primary objective of the one-year extension of the project will be to complete an agricultural sector analysis report on campus. Secretary Ntsane and I are in agreement that, following completion of the synthesis portion of the report, the Chiefs of Divisions in the Ministry of Agriculture should be involved with us in identifying a set of viable policy action recommendations that can be implemented in the future within the Ministry.
3. The primary actions leading to the various sections of the final report, as outlined in the remainder of the preliminary Plan of Work,

are acceptable. However, it must be understood that all data collection will cease upon return of the team members to campus. An analysis made of the available data base will then be completed, with identification of data gaps and recommendations for follow up research made as needed.

4. Specific portions of the report outline which will necessarily require follow up effort by others beyond the project time frame include the following:

- a. Chapter III. The Cropping Subsector, Sections A and B: "Integration of soil moisture, rainfall and temperature"-- follow up efforts to be continued by the Farming Systems Research Team.
- b. Chapter III, Section E, "Application of Model to Additional Policy Issues"--necessarily an ongoing activity to be undertaken by personnel in the Planning Division and the Office of the Permanent Secretary.
- c. Chapter III, Section ~~F~~^G, "Implications of the 1979 Land Act"-- our analysis will necessarily be limited because of the delay in implementing the Act.
- d. Chapter IV, Livestock--the analysis in this chapter will be severely limited because of data deficiencies; MOA plans to use consultants in this area of concern, however, and any additional data available by report completion date will be analyzed and included.
- e. Chapter V, Marketing: "Analysis of Current Marketing Issues"-- will also necessarily be a partial analysis because of ongoing study efforts by PMC and IFAD; in this instance, the Work Plan for the February-August 1980 period will likely be modified in order for Dr. Forrest Walters to present an overview assessment prior to the date of the Donors' Conference in July 1980.
- f. Chapter VI. Employment and the Agricultural Sector--details of the preliminary report outline will be modified as needed in response to Miss Mampiti Nchapi's technical paper for her Master's degree.
- g. Chapter VIII, Economics of the Farm Household--analysis will be limited primarily to data available from Mr. Romie Tribble's Ph.D. dissertation effort; Item D will be left for final resolution by the MOA, with the assistance of the Farming Systems Research Team.

- h. Chapter IX. Government Roles in Agricultural Development--this chapter is expected to include extensive inputs from Ministry Division Chiefs and the Office of the Secretary.
 - i. Chapter X. Looking Toward the Future--the timetable will be moved up so as to complete the background writing prior to January 1, 1981 so that it will be available for use in a proposed two-week workshop of the Ministry's Division Chiefs to be held on campus during January. (Assumes funding from the follow up project currently in the design stage.)
 - j. Chapter XI. Recommendations--a set of implementable recommendations are expected to emerge from the Division Chief's workshop; writing of this chapter will then be done during the February-April period.
5. Revised timetable:
- a. February-August, 1980: continue with LASA activities as specified in the preliminary Plan of Work; in-country data collection to end in August.
 - b. September-December, 1980: complete analysis and write synthesis chapters of the ASA report; e.g., Chapters I through X.
 - c. January 1981: conduct a two-week workshop for Ministry Division Chiefs on campus, utilizing the synthesis chapters material and leading to development of tentative Ministry policy action recommendations.
 - d. February-April, 1981: complete Chapter XI, "Recommendations," and edit total review draft of report.
 - e. May 1981: Eckert to return to Maseru for internal GOL review and comments.
 - f. June-July, 1981: final revisions and editing.
 - g. August 1981: publication and distribution of final report.

If you have additional questions about the revised Work Plan and the new timetable, please let me know.

In summary, the overall purpose of the LASA activities planned for completion during the one-year extension are: 1) to provide a base reference point for Lesotho's agricultural development; 2) to provide a transition for other groups to carry on with ongoing research on major problem

Richard E. Suttor
April 7, 1980

Page 4

issues; and 3) to involve MOA administrators in identification of viable alternative policy issues so that the major recommendations emanating from this project effort will more likely be implemented in the future.

Sincerely,



Kenneth C. Nobe
Project Director

KCN/kb

cc: Jerry Eckert
Galen Frantz

APR 23 1980

ACTION MEMORANDUM FOR THE DEPUTY ASSISTANT ADMINISTRATOR FOR FOOD AND NUTRITION,
BUREAU FOR DEVELOPMENT SUPPORT

THRU: DS/PO, Bernard Chapnick

FROM: DS/AGR, Richard R. Solem

SUBJECT: Incremental funding for Comprehensive Resource Inventory and
Evaluation System (CRIES) project

Problem: Your approval is required to extend the termination date of Project No. 931-0236.01 from September 30, 1980 to September 30, 1981 and add \$200,000 to the authorized funding for the Comprehensive Resource Inventory and Evaluation (CRIES) project.

Discussion: The present termination date for the CRIES project is September 30, 1980. The authorized life of project funding is \$1,502,000. It is recommended that the termination date be extended one year to September 30, 1981 and that the authorized life of project funding be increased by \$200,000 to \$1,702,000. Funds to cover this requested increase are available from funds previously reserved for the Adaptation of CRIES project. That project was not recommended for approval. Thus, we propose to reprogram the FY 80 portion of those funds for accomplishing the objectives detailed below.

While the planned technical assistance to the Dominican Republic and Honduras will be completed by September 1980, the additional year is required to synthesize the experience gained over the four years of technical assistance under the project and assist DS/AGR in the design of its new agricultural planning and policy analysis project.

The synthesis documents will be based on the experience of the CRIES team in the Dominican Republic, Costa Rica, Nicaragua, Honduras and Syria. (Work in Syria was funded by the Near East Bureau.) The following types of documents will be produced:

1. Basic land resource classification criteria, methods and procedures. The CRIES team has been using the USDA Soil Taxonomy and a specially developed crop-climate taxonomy in their work in Latin America and Syria. One or more documents will be written to describe the taxonomies, the types of data and how they are assembled, and the integration of these data to delineate resource planning units.
2. Users' manuals for computer software and information systems. The CRIES team has written and tested a set of computer programs for use in the automated information systems. Analysts in the Dominican Republic and Costa Rica have learned to use the software and information systems through workshops presented by the CRIES staff. The more complete documentation to be produced will allow other users to learn on their own.

3. Relationship of area frame sampling and the CRIES land resource base. Many LDC governments have adopted or are in the process of adopting area frame sampling for the purpose of collecting agricultural statistics. The CRIES land resource base has been proposed as a more efficient means for stratifying the area sample. It is currently being used to stratify the revised area sample in the Dominican Republic. A document will be prepared to present the methodology, assess the experience in the Dominican Republic, and make recommendations for possible uses in other countries.
4. Implications of using alternative levels of the Soil Taxonomy in national resource policy analysis. Detailed soil maps for the Cibao Valley in the Dominican Republic provide the data base for a numerical analysis of alternative model formulations using different levels of the Soil Taxonomy. The economic model is being solved with different levels of aggregation and the results compared. A document will be prepared to present these results and make recommendations for the use of soils data in economic models in other countries.
5. Institutional relationships. The CRIES project succeeded in linking several institutions and individuals with different scientific backgrounds to establish a viable agricultural resource planning capacity in the Dominican government. This experience will be documented as a case study that should be helpful in designing other institution building projects.

These various documents will be useful to AID, other donors, international agencies and LDC scientists, as well as to DS/AGR in the design of its agricultural planning and policy analysis project.

The CRIES team will also work directly with DS/AGR in the design effort. This will take the form of consultations and participation in workshops on the following subjects: (1) Data collection issues, including relative merits of area and household frames, and integration of data collected by ground enumerators and remote sensing; (2) Appropriate computer hardware and software and institutional arrangements for processing agricultural data; (3) Analytical approaches for addressing natural resource issues; (4) Institutional arrangements for policy analysis of natural resource issues; (5) Land classification concepts for multi-purpose uses.

AGENCY FOR INTERNATIONAL DEVELOPMENT
**PROJECT AUTHORIZATION AND REQUEST
 FOR ALLOTMENT OF FUNDS PART I**

1. TRANSACTION CODE
 C A ADD
 C CHANGE
 D DELETE

2. DOCUMENT CODE
 PAF
 5

3. COUNTRY ENTITY
 DS/AGR; RDA-1

4. DOCUMENT REVISION NUMBER
 5

5. PROJECT NUMBER (7 digits)
 931-0236.01

6. BUREAU/OFFICE
 A SYMBOL B CODE
 DSB 10

7. PROJECT TITLE (Maximum 40 characters)
 Expanded Program - CRIES

8. PROJECT APPROVAL DECISION
 A A APPROVED
 D D DISAPPROVED
 DE DE DEAUTHORIZED

9. EST. PERIOD OF IMPLEMENTATION (Extension)
 YRS. 0 1 QTRS

10. APPROVED BUDGET AND APPROPRIATED FUNDS (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		E. 1ST FY		H. 2ND FY 80		K. 3RD FY 81	
		C GRANT	D LOAN	F GRANT	G LOAN	I GRANT	J LOAN	L GRANT	M LOAN
(1) FN	180 I	053		1,502		200		0	
(2)									
(3)									
(4)									
TOTALS				1,502		200		0	

A. APPROPRIATION	N. 4TH FY 82		O. 5TH FY 83		LIFE OF PROJECT		11. PROJECT FUNDING AUTHORIZED		3. GRANT LOAN
	Q. GRANT	R. LOAN	A. GRANT	S. LOAN	T. GRANT	U. LOAN	1. LIFE OF PROJECT	2. INCREMENTAL LIFE OF PROJECT	
(1) FN	0		0		1,702			2	
(2)									
(3)									
(4)									
TOTALS	0		0		1,702				

C. PROJECT FUNDING AUTHORIZED THRU 8 1

12. INITIAL PROJECT FUNDING ALLOTMENT REQUESTED (\$000)

A. APPROPRIATION	B. ALLOTMENT REQUEST NO.	
	C. GRANT	D. LOAN
(1)		
(2)		
(3)		
(4)		
TOTALS		

13. FUNDS RESERVED FOR ALLOTMENT

TYPED NAME (Chief, SFR, FM, FSD)

SIGNATURE

DATE

14. SOURCE/ORIGIN OF GOODS AND SERVICES
 000 941 LOCAL OTHER

15. FOR AMENDMENTS, NATURE OF CHANGE PROPOSED

The planned technical assistance to the Dominican Republic and Honduras will be completed by September 1980. This incremental funding of \$200,000 will provide for a one (1) year extension which is required to synthesize the experience gained over the four years of technical assistance under the project and assist DS/AGR in the design of its new agricultural planning and policy analysis project.

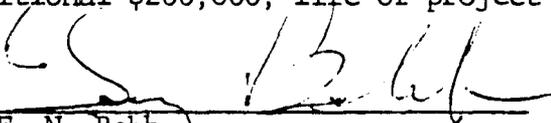
FOR PPC/PIAS USE ONLY	16. AUTHORIZING OFFICE SYMBOL	17. ACTION DATE	18. ACTION REFERENCE (Optional)	ACTION REFERENCE DATE
		MM DD YY		MM DD YY

PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS
PART II

ENTITY : DS Bureau
PROJECT : Expanded Program of Economic Analysis - CRIES
PROJECT NO: 931-0236.01

I hereby authorize an additional \$200,000 for use in PASA Number AG/TAB-236-14-76 with the U. S. Department of Agriculture. Funds will be used to synthesize the experience gained over the four years of technical assistance under the Comprehensive Resource Inventory and Evaluation System (CRIES) activity and to assist DS/AGR in the design of its new agricultural planning and policy analysis project.

The CRIES activity was started in June 1976 and will be completed September 30, 1981. With the additional \$200,000, life of project funding will be \$1,701,800.


E. N. Babb
Deputy Assistant Administrator
for Food and Nutrition
Bureau for Development Support

Date: 5-12-80

Clearances:

DS/AGR/EPP:RLEhrich	<u>RL</u>	Date	<u>11/11/79</u>
DS/AGR:SEngberg	<u>SE</u>	Date	<u>4/28/80</u>
DS/AGR:RRSolem	<u>RS</u>	Date	<u>5/5/80</u>
DS/AGR:TO'Hare	<u>TH</u>	Date	<u>5/12/80</u>
DS/PO: BChapnick	<u>BC</u>	Date	<u>5/12/80</u>
DS/PO: ASilver	<u>AS</u>	Date	<u>5/12/80</u>

Budget for Incremental Funding of \$200,000 for CRIES Project

	<u>Person-months</u>	<u>Cost</u>
Agricultural Economist	12	\$39,000
Soil Scientist	6	19,500
Agronomist	6	19,500
Resource Scientist	6	19,500
Remote Sensing Scientist	6	19,500
Systems Analyst	3	9,750
Clerical/Technical Support	12	12,000
Total Salary & Benefits		<u>\$138,750</u>
Travel		8,000
Rent, communication, utilities		5,000
Supplies & materials		3,000
Printing & reproduction		5,250
Sub-Total		<u>\$160,000</u>
Overhead		40,000
Grand Total		<u>\$200,000</u>