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PROJECT PAPER

CONSUMPTION EFFECTS OF AGRICULTURAL POLICIES

Office of Nutrition

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## PART I. SUMMARY AND RECOMMENDATIONS

### B. Recommendations

In March 1980, \$1.085 million was authorized to fund the series of activities scheduled to begin during the first year of the project. Under this authorization, a grant was given to the Center for Studies of Economic Development and Integration (ECID) of the Secretariat of the Central American Common Market to develop analytical methods for evaluating the consumption/nutrition impacts of agricultural policies working in Honduras in collaboration with the Government of Honduras. Three institutions -- the Center for Research on Economic Development (CRED), Development Assistance Corporation (DAC), and Research Triangle Institute (RTI) -- were also contracted with to undertake short-term policy impact evaluations in Cameroon and Senegal; Jamaica; and Botswana, Sudan and Tanzania.

It is recommended that approval be given now for the remaining activities identified under this project paper. These will take place over a four-year period -- FY81-FY84 -- and are expected to cost an additional \$1.715 million.

Over 40 percent of the \$1.715 million will be used for the short-term policy impact evaluations. Additional monies are needed to fully fund three of the evaluations initiated in FY80 (Jamaica, Cameroon and Senegal). Four additional evaluations will also be undertaken in countries still to be selected. Over 30 percent of the \$1.715 million will be used to fund technical assistance requested by countries/missions. The remaining funds will be divided among state-of-the-art papers and other methods reviews, and seminars, workshops and an information network.

### C. Description of Project

#### Background and Rationale

The Agency for International Development is deeply committed to helping meet the basic needs of the poor and to improving the quality of life in developing countries. Among

the most basic of human needs is the need for a nutritionally adequate diet. The degree to which populations have access to such diets is significantly affected by policies concerned with agricultural production and land use, by price and trade policies, and by other food and agricultural policies and programs; therefore, one of the most important things that can be done by countries wishing to improve the diet of their people is to improve the consumption or nutrition benefits of such programs and policies.

The CEAP project was initiated by the Office of Nutrition (DS/N) as a major element of the Agency's strategy to improve nutritional well-being in developing countries. The impetus for the project came from a growing awareness that although people's nutritional well-being may be more affected by government economic policies and programs than by direct nutrition interventions, most of these policies and programs are designed and implemented with little consideration given to their ultimate nutritional impact.

This occurs more by ignorance than design. Country plans may include nutritional objectives, but planners and analysts lack understanding of how economic policies and programs affect people's consumption patterns and nutrient intakes. More often than not, economic policies are adopted to achieve a given goal with little explicit consideration given to the other consequences of such policies. For example, agricultural policies may have the objective of maximizing foreign exchange earnings or gaining self-sufficiency in a given crop. Programs are implemented to achieve these goals with little thought about how they affect the diets of the population.

The project is designed to respond to this problem by: (1) developing better methods for determining in advance the probable effects that various economic policy choices will have on people's food consumption patterns and nutrient intakes; (2) testing and demonstrating the validity and utility of these methods by observing them at work in several developing countries; (3) disseminating information concerning these methods to developing country planners; (4) encouraging planners to adopt and use these methods in formulating economic policies that give careful consideration to nutrition/food consumption effects; and (5) providing technical assistance to help incorporate these methods into their development planning.

The purpose of this project is to encourage developing countries to modify their agricultural planning to make it more conducive to improving levels of consumption/nutrition. Several steps are necessary to achieve this objective.

Developing country policy makers and planners need to be encouraged to start thinking of improved consumption and nutrition as legitimate goals of their agricultural sectors and ones which need to be considered when evaluating policy alternatives. Developing country planners also need to be helped in obtaining the means for incorporating consumption and nutrition goals into their planning by gaining better analytical methods, data, and the knowledge of how to use both.

The project will begin to explore and systematically analyze the linkages between agricultural policies and consumption/nutrition. This will be done through a series of eight to twelve short-term policy impact evaluations undertaken in selected developing countries. In the process of carrying out these evaluations, analytical methods will be developed/adapted and refined. The methods developed/adapted during these case studies will also be refined during a series of collaborative technical assistance activities. In due course, they will be published in the form of manuals or guides.

During the life of the project, a number of other activities will be carried out to determine the state-of-the-art, to identify knowledge and methodology gaps, to share experiences, and to disseminate information. This will involve workshops, and other kinds of meetings as well as the publication and dissemination of documents.

The project focuses on agricultural policies. The agricultural sector is a primary source of income and employment as well as food in most developing country economies. A major AID target group -- the rural poor -- are also dependent for food, income and employment on the agricultural sector. Agricultural policies through their impacts on food availability, prices and income can also have a major impact on the food consumption of those developing country groups most likely to be at risk of malnutrition -- small, semi-subsistence farmers, landless laborers, and the urban poor.

Most developing countries have already established some type of agricultural planning system which focuses on production and foreign exchange objectives and perhaps even income and employment objectives. What is needed to make these systems more effective in combating malnutrition is to help developing country planners and policy makers to add nutrition variables to on-going planning and policy analyses, to add nutritional observations to existing agricultural data collection systems, and to add nutrition oriented staff

and skills to current agricultural planning establishments. This project is designed to provide assistance in all three areas.

To be successful, the project must have a strong developing country orientation. The ultimate purpose, after all, is not merely to develop analytical methods and data systems but to make them operational within developing country planning systems. Analytical methods and data systems can be designed in isolation, but the best way to ensure that they can and will be used by developing country planners is to develop and test them within actual planning systems. Most project activities, therefore, will take place in developing countries where methods testing and utilization can become an integral part of the process of developing the methods. If the project is successful, countries will continue to use the methods developed and tested after the end of the project. To ensure that the planning methods and data systems developed as a result of the project will be relevant to and capable of being replicated in a broad range of developing countries, project activities will be located in a number of countries carefully selected to represent a range of planning and policy needs and levels of planning capacity.

It should be noted that this project is part of a broader strategy for encouraging countries to incorporate consumption/nutrition goals into their agricultural development planning. Efforts will be made by DS/N to encourage all external aid agencies (the development banks, the UN agencies, other bilateral agencies) to re-structure their own programs to meet consumption goals and to require that countries requesting assistance in food and agriculture demonstrate how their policies are designed to improve food consumption by the poor. Such a strategy should help to strengthen within developing countries those voices, now usually a small minority, which strive for a more equitable distribution of resources. It should also help to add credence and respectability to the concept by underscoring the universality of the practice.

This project will develop the tools to help countries do the needed analyses and will upgrade the professional capability of those involved.

### Management

AID will implement this project in collaboration with USDA. The Office of Nutrition will be responsible for management of the project but the conceptual-intellectual decision

making will be fully shared between the Office of Nutrition (DS/N) and the Office of Agriculture (DS/AGR). Responsibility for the day-to-day monitoring and sub-project management, however, will be assigned to the USDA nutrition economics group working with AID under a RSSA. The USDA RSSA group will also be responsible for integrating sub-project activities and for designing and implementing the information network.

The Inter-Bureau Advisory Committee, with representatives from all regional bureaus, DS/AGR, DS/RAD, DS/PO, and PPC, will provide overall guidance to the project and will review appropriate project documents, help identify countries in which to undertake activities, and evaluate project and sub-project performance. The ideas and interests of USAID staff and developing country professionals will also be solicited directly through cables, consulting trips, and the information network.

#### Implementation

This project is designed as an umbrella for a variety of activities or sub-projects. Project activities are planned to cover a five-year period, FY80-FY84. A series of short-term policy impact evaluations will be financed during the first three years of the project. The collaborative project in Honduras was financed the first year. Short-term consultancies will be undertaken throughout the life of the project. Integrating and information disseminating activities will also continue through the life of the project. A small conference will be held during the second year of the project and a major conference in the fifth year. State-of-the-art workshops will also be held periodically throughout the life of the project.

The short-term policy impact evaluations are and will be carried out by contractors selected through competitive bidding. The collaborative project in Honduras is being carried out by the Center for Studies on Integration and Development of the Central American Common Market (ECID) under a grant. ROCAP signed the project agreement with ECID for AID. According to the three way memo agreed to by DS/N, ROCAP and USAID/Honduras, DS/N will assume responsibility for all substantive aspects of project management and ROCAP all administrative/financial aspects.

Short-term consultants will be obtained primarily through a RSSA with USDA. Other mechanisms for obtaining consultancy

services for technical assistance to mission/countries, state-of-the-art papers, workshops, etc., include IQC's and purchase orders. Consideration was given initially to contracting for these services with one or two institutions under some type of umbrella arrangement. A brief review of potential contractors, however, indicated that no one or two institutions had a predominant capability in undertaking the kinds of data collection and analyses and methods development services needed. These activities are also expected to be quite diverse, many will be unrelated and most will be short in duration and/or small in dollar amount. For these reasons, the decision was made to obtain these services through mechanisms already in place which are known to have the required flexibility.

#### End of Project Status Indicators

The project will be deemed to have been satisfactorily completed when the following have been completed:

1. Short-term analyses of the consumption/nutrition impacts of agricultural policies in eight to twelve countries.
2. Reports describing the analytical methods developed, and/or adapted, both simplified and more complex.
3. Guidelines for undertaking similar impact analyses elsewhere.
4. State-of-the-art papers covering various analytical and data collection methodological issues.
5. Methods for analyzing the consumption/nutrition effects of agricultural policies developed and field tested in on-going planning systems in two to four selected countries.
6. Consulting services, including assistance utilizing substantive findings, designing impact analyses, reorienting planning systems, designing surveys, processing and analyzing survey data, training staff.
7. Information about the analytical and data collection methods developed disseminated through a series of seminars, workshops and an information network.

By the completion of the CEAP project, the tested and adapted methods should be internalized into the planning systems of most collaborating countries and the results made available for other countries to adapt to their own planning processes. Internalization implies that analysts and planners associated with the local institutions will be capable of applying the methods, adapting them as necessary to changing conditions, and providing decision-makers with reliable results on a timely basis. This is the most important output of the project. It will begin to occur during the life of the project and should provide a strong influence on the agricultural planning of other countries.

### Summary Findings

This project will begin to provide a basis for overcoming one of the major deficiencies in current agricultural planning and policy-making -- the lack of knowledge about the impacts of policies on food consumption patterns and nutrition and the techniques for gaining such knowledge. The project is technically sound. The methods and techniques developed can be adapted to a wide variety of planning environments. It is administratively feasible for DS/N to manage this project with the resources available under the RSSA. The project is financially feasible.

### D. Project Issues

A variety of management and substantive issues were raised during project reviews: Two are still relevant:

1. Will methods developed in one country be applicable in others?
2. How many and what types of methods will/should be developed?

### Replicability

Since the objective is to develop planning and data collection methods which can be used in a broad range of countries, the decision was made to initiate activities in countries carefully selected to represent a range of planning and policy

needs and levels of planning capacity. The question whether the methods or techniques developed in these countries will be applicable in others was raised in review discussions. The issue of replicability is a knotty one. The more similar two countries are in socio-economic structure and level of institutional development, the more likely it is that planning methods developed in one will be applicable to the other. But if project resources are concentrated in countries whose characteristics are too similar, the range of socio-economic and planning environments in which the methods developed can be utilized may be too narrow.

Whether methods developed in one country are applicable in other countries also depends in part on the time available for transfer. Techniques which can be applied next year in a country which has a well organized, well staffed planning unit with adequate data collection facilities may take ten years to be useful to a country which is just beginning to train the people who will eventually staff its planning unit. The short-term problem is to ensure that methods developed in each country are communicated effectively to other countries with similar policy needs and planning capacities. The information network plus the constant attention of the RSSA to the problem of integrating sub-project results are expected to help achieve this objective.

The longer-term problem is to ensure that the methods developed in countries with stronger planning systems will be available for future use by countries whose present planning capabilities are weak. Several steps will be taken to help achieve this longer-term objective -- distributing publications widely, encouraging personal communications among personnel working in both sets of countries by including both groups in the same conferences and workshops, and institutionalizing the results within AID. The information network and conferences and workshops will also be used to help sort out which aspects of the methods developed are location-specific and which are transferable.

### Range of Methodological Approaches

Developing countries have different needs; their development problems, the type and mix of policies acceptable, and the planning systems and techniques already in use differ. Consequently, a variety of techniques and methods will have to be developed. Because the objective is to incorporate consumption/nutrition concerns into agricultural sector

analyses and planning activities, the tools and techniques developed will be based on those already known and used by agricultural analysts and planners, most of whom are economists. A variety of techniques -- simple tabulations, regression analysis, complex modeling (econometric, linear programming, simulation) -- will be pressed into service in new ways.

The short-term policy impact evaluations, for example, are expected to experiment with a variety of simple analytical techniques, as a result of the relatively short-time frame allowed for each analysis. The ECID sub-project, on the other hand, is designed to adapt and test the utility of a relatively more sophisticated technique -- a social accounts matrix model -- in an on-going planning system.

The more subjective observation and open-ended interviewing techniques used by sociologists and anthropologists may also be used to help specify and determine the importance of non-economic variables. These techniques will be used when appropriate to supplement the information and techniques more commonly used by economists. This approach is consistent with the trend of involving the other social scientists in sector analyses and other sector planning activities. Anthropometric measurement techniques used by nutritionists to determine nutritional status, for example, will also be used upon occasion to help establish baselines and possibly to measure change.

In the final instance, the methods which are developed during the project will be the product of three factors: (1) what developing country planners and policy-makers want, need, and can use; (2) what those carrying out the respective activities are capable of doing; and (3) what AID requires to meet the goal and purpose of this project.

## PART II. PROJECT BACKGROUND AND DETAILED DESCRIPTION

### A. Background

Research on the nutrition effects of government policies was identified as one of twenty priority research areas by the 1977 NAS "World Food and Nutrition Study." This recommendation reflected a growing awareness that "Government policies ... formulated, implemented and changed with little consideration for their ultimate effect on nutrition can nevertheless have major effects on nutrition." The study specifically recommended that comparative studies be undertaken of the experiences of different countries with different policies. Simple models, the study concluded, also need to be developed for predicting and evaluating the effects of program and policy interventions.

AID too has expressed a growing concern that the nutritional status of the urban and rural poor may be more affected by the range of government policies and programs than by direct nutrition interventions. Of particular interest to AID are situations where what appears to be positive steps in nutrition planning or nutrition interventions are negated by macro policies which have adverse impacts on the nutritional status of low-income groups.

"AID's Responsibility in Nutrition," approved by the Deputy Administrator in April 1977, described this concern and recommended that the Agency devote more attention to improving the consumption/nutrition benefits of development programs, particularly those in the agricultural sector. The NAS study identified this area of policy improvement as a research priority. "AID's Responsibilities in Nutrition" presented it as an "operational initiative." Research -- understanding more about the consumption/nutrition effects of agricultural policies -- is only a first step. AID's objective is to develop and make operational within AID and developing country planning units techniques for taking what is known about a policy's effects on incomes and prices and predicting what will happen to people's consumption patterns and nutritional intakes. This project is designed to further this emphasis.

This initiative is consistent with the Office of Agriculture's interests in improving agricultural planning and policy analysis. Adding consumption considerations to agricultural planning logically is an integral part of their objective to help countries "clarify the consequences of existing development patterns and identify feasible and consistent strategies and policies for assisting target groups." This initiative is also consistent with AID's "Agricultural Development Policy" strategy paper which makes a link between the goal of increasing food supplies and the goal of more equitable distribution. The objective expressed in this strategy paper is not just to grow more food but "to get more food into the hands of hungry and malnourished people." The number and range of intervening factors -- prices, jobs, incomes, physical accessibility to markets, food habits, social systems, health, policies -- make the task of achieving these two goals a more difficult one.

The CEAP initiative also complements the Office of Rural Development's interest in looking at the backward and forward linkages of the agricultural sector and how development in the agricultural sector affects other dimensions of rural development and the well-being of rural people. Improving people's well-being is a broad concept which encompasses increased levels of income and employment, reduced rates of mortality and morbidity, and increased availability of education and health services, for example, as well as improved nutrition. The problem of estimating the impact of alternative development policies on the well-being of rural people in all its various dimensions is immense -- so immense that separating improved nutrition out as an objective and taking a separate look at the potential impact of agricultural and other development policies on consumption patterns and nutrient intakes should not be viewed as a duplication but as a complementary activity.

Mission and country interest in the project also appears strong. Sixteen missions in three AID regions responded favorably to the initial cable asking countries/missions whether they were interested in participating in the short-term policy impact evaluations. Enough interest and agreement on the focus and dimension of such an evaluation was found in the ten countries visited to date, so that draft scopes of work could be prepared in collaboration with mission and government personnel. Six of these evaluations have now been contracted for. Mission/country requests for technical assistance have also been growing.

## B. Detailed Description

### Project Purposes and Goals

The project goal is to improve the nutritional well-being of the poor in developing countries. The target groups to be affected by the project are: (1) policy makers and planners in the participating countries; (2) the poor through better selection and/or design of agricultural policies; (3) policy makers in other developing countries and members of the international donor community. Achievement of the goal is predicated on the assumption that governments will be willing and able to integrate the data collection and analysis methods developed under this project into their agricultural planning systems and that they will be willing to implement the substantive policy findings that result from their utilization.

The purpose of this project is to encourage developing countries to modify their national agricultural planning systems to make them more conducive to improving levels of consumption/nutrition. Several steps are necessary to achieve this objective. Developing country policy makers and planners need to be encouraged to start thinking of improved consumption and nutrition as legitimate goals of their agricultural sectors; goals which need to be considered when evaluating policy alternatives. Developing country planners also need to be helped in obtaining the means for incorporating consumption and nutrition goals into their planning by gaining better analytical methods, data, and the knowledge of how to use both.

Most developing countries have already established some type of agricultural planning system which focuses on production and foreign exchange objectives and perhaps even income and employment objectives. What is needed to make these systems more effective in combating malnutrition is to help countries to add nutrition variables to on-going planning and policy analyses, to add nutritional observations to existing agricultural data collection systems, and to add nutrition oriented staff and skills to current agricultural planning establishments. This project is designed to provide assistance in all three areas.

To be successful, the project must have a strong developing country orientation. The ultimate purpose, after all, is not merely to develop analytical methods and data systems but

to make them operational within developing country planning systems. Analytical methods and data systems can be designed in isolation, but the best way to ensure that they can and will be used by developing country planners is to develop and test them within actual planning systems. Most project activities, therefore, will take place in developing countries where methods testing and utilization can become an integral part of the process of developing the methods. If the project is successful, countries will continue to use the methods developed and tested after the end of the project. To ensure that the planning methods and data systems developed as a result of the project will be relevant to and capable of being replicated in a broad range of developing countries, project activities will occur in a number of countries carefully selected to represent a range of planning and policy needs and levels of planning capacity.

### Project Organization

The Consumption Effects of Agricultural Policies (CEAP) project is designed to (1) develop better methods for determining in advance the probable effects that various economic policy choices will have on people's food consumption patterns and nutrient intakes; (2) test and demonstrate the validity and utility of these methods by observing them at work in several developing countries; (3) disseminate information concerning these methods to developing country planners; (4) encourage planners to adopt and use these methods in formulating economic policies that give careful consideration to nutrition/food consumption effects; and (5) provide technical assistance to help other countries incorporate these methods into their agricultural planning systems. Countries participating directly in CEAP activities will receive substantive guidance on policy impacts as well as knowledge of and assistance in utilizing the analysis and data collection methods developed by the project.

The project will begin to explore and systematically analyze the linkages between agricultural policies and consumption/nutrition. This will be done through a series of eight to twelve short-term policy impact evaluations undertaken in selected developing countries. In the process of carrying out these evaluations, analytical methods will be developed/adapted and refined. The methods developed/adapted during these case studies will also be refined during a series of collaborative technical assistance activities. In due course, they will be published in the form of manuals or guides.

During the life of the project, a number of other activities will be carried out to determine the state-of-the-art, to identify knowledge and methodology gaps, to share experiences, and to disseminate information. These will involve workshops, seminars and other kinds of meetings as well as the publication and dissemination of documents.

Methods Review and Refinement. The basic strategy to be followed in the CEAP project is to develop methods in developing countries as well as test them there. However, it is also recognized that neither the short-term policy impact studies nor the many technical assistance activities anticipated will provide the most appropriate environment in which to explore some of the theoretical underpinnings needed to deal with a problem as complex as this one. Nor may in-country activities be the most appropriate way of undertaking all method development activities. Some project funds, therefore, will be set aside to fund state-of-the-art papers, reviews and assessments of analytical methods and data systems which seem to have high potential for use in developing countries, and the refinement of methods which are identified by the short-term policy impact studies and TDY consultants as having a high potential utility but not suitable for them to work on.

Types of state-of-the-art papers and reviews which may be undertaken include: a comparison of the cost/effectiveness of various means of measuring household food consumption; a review of selected agricultural sector models and an evaluation of their potential utility for analyzing consumption/nutrition impacts; a review and evaluation of alternative software packages available for processing and analyzing household consumption survey data; a review and evaluation of the theoretical foundations for and recent experiences using cross section survey data to estimate income and price elasticities (analytical techniques in use in developed countries for predicting changes in food consumption patterns given changes in household incomes and prices may have to be modified and computer software adapted for use in developing countries where there is more concern with evaluating the behavior of households in different socio-economic groups -- small semi-subsistence farmers, for example, rural landless laborers, or the urban poor); a review of selected farm household firm models and evaluation of their use or potential use for improving our understanding of and eventually predicting the consumption behavior of farm households (Special adaptations of standard income and price analyses may also have to

be made or additional analytical methods developed to analyze farm households because, unlike urban households, farm household's decisions are conditioned by their ability to grow and eat food, to sell food and/or other agricultural products and/or to sell their labor.) These state-of-the-art papers will help identify knowledge and methodology gaps which need to be addressed as well as provide inputs for and/or give guidance to other project activities.

Methods Development and Testing. The CEAP project was designed to develop some analytical methods relatively quickly as well as to gather experience using these methods in on-going planning systems. A series of short-term, in-depth analyses of the consumption/nutrition impacts of important agricultural policies will be initiated during the first three years in selected developing countries to identify and test a range of analytical techniques. These evaluations will begin to explore and systematically analyze the linkages between important agricultural policies and the food consumption patterns and nutrient intakes of groups likely to be at risk of malnutrition in these countries; how such policies affect the amount and type of food available to them, their incomes and prices, as well as how their consumption patterns and nutrient intakes are altered when their incomes and prices change.

These evaluations will help identify the kinds of technical problems involved in undertaking such analyses. They will provide some preliminary policy guidelines which should be of immediate and direct use to the specific countries involved in the evaluations. Analytical guidelines will also be developed which should be of use to others wishing to undertake similar analyses.

These evaluations are meant to be exploratory, however, in recognition of the large number of variables which are likely to affect people's consumption patterns and the complex relationships among them. They will be used to encourage policy makers, in the participating countries in particular, to start thinking of improved consumption and nutrition as legitimate goals of their agricultural sectors; goals which need to be considered when evaluating policy alternatives. Contractors, for example, will be expected to interact with missions, government planning units, and research institutions in the countries selected for case studies to the maximum extent possible to insure relevancy and encourage country receptivity to the resulting policy guidance. The primary purposes of these evaluations, however, are to explore linkages and to develop analytical methods. They are not designed,

therefore, to strengthen participating country planning systems or to institutionalize the techniques developed in participating country planning systems.

These evaluations are also expected to demonstrate what can be learned about a policy's consumption/nutrition impacts within a time frame more akin to that faced by policy makers and planners than academicians. By carefully limiting the amount of time available for each evaluation, analysts will be encouraged to select the more simple techniques for testing and adaptation.

The amount of time set aside for each evaluation, in other words, is crucial. The objective is to give analysts enough time to begin to understand and quantify the relationships between agricultural policies and food consumption and nutrition but not enough time to enable them to plan to use large scale surveys or complex analytical methods. As a result of the time constraints built into these evaluations, analysts will have to rely primarily on data already collected, supplemented by their own observations and personal interviews. Where collected data is lacking, contractors will be expected to explore nonconventional but accessible data sources, in the interests of identifying those simplified alternatives available to policy analysts and planners in developing countries.

Contractors will be expected to experiment with a variety of these relatively simple analytical techniques -- new techniques as well as those already used by agricultural economists, rural sociologists, anthropologists and nutritionists. Contractors will also be expected to evaluate the suitability of these techniques given various types of data and time constraints.

To ensure that these evaluations produce substantive results that are relevant and useful to the participating countries and not just analytical methods, countries and missions were and will be involved in policy selection and case study design. Cables were sent to selected countries in all four AID regions describing the objectives and focus of the short term policy impact evaluations and asking whether they wanted to participate. Favorable responses were received from 16 missions, five in Latin America, seven in Africa and four in Asia. Design teams were sent to four of the Latin American and six of the African countries to explore the nature and the depth of their interests. Agreement was reached on the focus and dimensions of such an evaluation in all ten countries, and scopes of work were drafted in collaboration with mission and host country personnel. Six of these evaluations have now been

contracted for and will be implemented during the project's second year (see Table I). Several others could be implemented, if and when certain changes occur. Plans are also underway to send design teams to the four Asian countries which have expressed an interest in the project. Countries are selected and evaluations are designed to represent a range of policy types and methodological approaches.

Methods development is only the first step. Equally important to project success is evidence that these methods can be adapted to the needs of developing country planning systems and evidence that they can and will be utilized. Demonstrating the utility of these methods to planners and policy makers and determining the feasibility of linking them into on-going planning systems in developing countries will be more difficult than the type of methods development that will take place in the short-term policy impact evaluations. Yet until these methods have been tried in several countries in collaboration with their planners and policy makers, the process of methods development cannot be said to be complete.

One major test of the feasibility of developing and utilizing methods for analyzing the impacts of a country's agricultural policies on food consumption and nutrition in a developing country planning system was initiated during the first year in Honduras. The Center for Studies of Economic Development and Integration of the Central American Common Market Secretariat (ECID) will undertake the project in collaboration with the Government of Honduras. During the two years of this sub-project, ECID and the GOH will (1) develop and test analytical methods for evaluating the consumption/nutrition impacts of agricultural policies in Honduras; (2) demonstrate the utility of these methods to planners and decision makers in Honduras, and elsewhere in Central America; and (3) develop measures for facilitating the practical application of these analytical methods through the process of incorporating them into the Honduran agricultural planning system.

One method to be adapted and tested in Honduras -- an agricultural sector model disaggregated by different types of socio-economic groups -- is relatively more complex and data intensive than the methods expected to be tested in the short-term policy impact evaluations. Experimenting with several more complex, data intensive methods was felt necessary for several reasons; to help substantiate the results obtained from the short-term policy impact evaluations; to provide a basis for comparing the relative reliability and cost effectiveness of more in-depth versus short-term impact analyses for meeting the priority needs of agricultural planners and policy

TABLE I

Short Term Policy Impact Evaluations

<u>Country</u>	<u>Focus of Evaluation</u>	<u>Status</u>
<u>Latin America</u>		
Bolivia	This study would evaluate the hypothesis that government policies have encouraged the introduction of some food crops (such as wheat, rice and soybeans) and discouraged traditional crops (such as corn, tarhui and quinoa) to the detriment of the nutrition of the rural and urban poor.	Included in RFP. Put on hold after coup.
Costa Rica	The focus would be on the consumption effects of the government's basic grain policies on semi-subsistence farmers and the urban poor.	Still under discussion with Mission/GOCR.
Jamaica	The evaluation will compare the impacts of policies designed to promote export crops (primarily sugar) and food import substitutes. Impacts to be compared include: net foreign exchange earnings, estimated changes in income and employment of affected rural workers and the urban poor, estimations of implied changes in food consumption by these target groups.	Contract negotiated. Study to start FY81.
Paraguay	The study would evaluate the hypothesis that government programs designed to increase the production of export crops have resulted in a reduction in the rate of growth of domestic food products, shifts in the types of domestic food produced, and changes in the nutritional well-being of several groups, including	Dropped due to mission request.

<u>Country</u>	<u>Focus of Evaluation</u>	<u>Status</u>
Paraguay (Continued)	(1) the landless poor, (2) small farmers in mini-fundia regions; (3) the urban poor, and (4) Indians and some minority groups who traditionally have been nutritionally at risk.	
<u>Africa</u>		
Botswana	The evaluation will attempt to anticipate the consumption/nutrition effects of GCB policy to promote increased domestic food production through its recently initiated Arable Lands Development Project (ALDEP).	Contract negotiated. Study to begin FY81.
Cameroon	The evaluation will estimate the probable consumption/nutrition effects on low-income food buyers and farmers/herders in the Northwest Province of the recently announced policy of encouraging trade with Nigeria. In addition to lifting restrictions on agricultural exports to Nigeria, this policy initiative also includes improving the feeder-road system serving the herder areas.	Contract negotiated. Study to begin FY81.
Liberia	The study would add a consumption/nutrition dimension to the recurring evaluation of the AID assisted Lofa County Integrated Rural Development Project.	Put on hold after coup.

<u>Country</u>	<u>Focus of Evaluation</u>	<u>Status</u>
Senegal	The evaluation will cope with the virtual absence of relevant data (generally the case in West Africa) through a village-level analysis of the impact of the 1974 change in basic agricultural policy to promote food self sufficiency upon the consumption status of Senegalese villagers.	Contract negotiated. Study to begin FY81.
Sudan	The focus will be on the effects of eliminating the wheat subsidy in 1979, and the subsequent bread price increase, on the consumption of wheat and sorghum by different socio-economic groups.	Contract negotiated. Study to begin FY81.
<u>Africa</u>		
Tanzania	The evaluation will explore the effects on the consumption/nutrition status of low-income food buyers and farmers respectively of the 1974 agricultural policy shift which emphasized food crops instead of export crops. This analysis will be used as a basis for estimating the probable effects of reversing that emphasis.	Contract negotiated. Study to begin FY81.
<u>Asia</u>		
Bangladesh	To be determined in collaboration with mission and government personnel.	Missions have expressed interest.
Nepal	"	Design teams will visit during FY81.
Pakistan	"	
Philippines	"	

makers; to develop techniques which are compatible with the range of agricultural planning techniques already in use in developing countries. Agricultural sector models have already been experimented with in Honduras, for example, and techniques for adapting them to consumption/nutrition analyses, if cost effective, would have immediate applicability in other developing countries which already have a sector modeling capability, e.g., the Dominican Republic, Thailand, the Philippines.

Technical Assistance. Approximately 20 percent of the resources in this project will be devoted to providing technical assistance to countries/missions. This technical assistance will be made available for a variety of activities consistent with the purpose of this project -- to encourage developing countries to modify their national agricultural planning systems to make them more conducive to improving levels of consumption/nutrition.

Countries participating in the policy impact evaluations can request a consultant to help them utilize the substantive policy findings, for example. Participating governments can also request a consultant to advise their policy analysts and planners how to use the analytical methods developed in these studies and how to build the capacity to undertake such analyses on an on-going basis into their planning systems. Technical assistance will also be provided upon request to other countries to advise them on how to design and implement similar impact evaluations and/or how to build the capacity to undertake consumption impact analyses into their planning systems.

In order to build a capacity to undertake consumption/nutrition impact analyses in their existing planning systems, many countries will have to improve their data base and/or upgrade the skills of their planners and analysts. Provision has been made, therefore, to provide countries with technical assistance in these areas as well. Some countries, for example, decided not to participate in the short-term policy impact evaluations, opting instead to improve their data base first before launching into any detailed analyses of the consumption impacts of their agricultural policies. Other countries, having participated in the short-term policy evaluations, may decide that improving their consumption/nutrition data base is one of the steps required if they are to internalize the capacity to undertake consumption analyses on an on-going basis. Technical assistance is available for these countries to help them design household consumption surveys, budget/expenditure

surveys with a food consumption dimension and/or integrated rural data systems with a food consumption/nutrition component and to help them process and analyze the data which is produced by such surveys.

Technical assistance will also be given to support training activities designed to upgrade professional capability of developing country staff. Outside consultants can serve as "faculty" for regional or within country training projects or can help to plan, implement, and evaluate training projects.

A variety of assistance with the preconditions of consumption impact analyses has already been provided under the Nutrition Economics RSSA with USDA. The Cameroon and Bolivia, for example, have received assistance with the pre-design design and, in the case of the Cameroon, the pilot test phase of a household consumption survey. This assistance covered field organization and logistics, questionnaire design, sample design, and design of the data processing and analysis plan. The Dominican Republic, on the other hand, had already designed and implemented a nationwide survey which collected information on households' incomes, expenditures, consumption patterns and selected socio-economic characteristics. They needed help processing the survey and with the design and implementation of an analysis plan. In the Philippines a technician consulted with the planning and policy analysis groups in the Ministry of Agriculture, the Food and Nutrition Institute and the National Nutrition Council on the development and analyses of data on food consumption and nutrition needed for agricultural and economic planning. This included reviewing with the policy analysts and planners how they use data for planning -- to shape and support policy proposals, to formulate reasonable operational proposals, and to plan for their implementation and administration. In Sri Lanka a consultant assisted the Food and Nutrition Policy Planning Division of the Ministry of Plan Implementation with the analysis of survey data on food consumption and nutrition status, an evaluation of the food stamp program and an evaluation of the Thripasha and school biscuit program. In the Philippines a consultant will be working with FAO and the University of the Philippines at Los Banos to produce a curriculum, class exercises and teaching aids designed to add a consumption/nutrition dimension to agricultural training in Southeast Asia.

Some requests for technical assistance may be totally unanticipated, however. One example was the urgent request from the Dominican Republic USAID last fall for assistance

in analyzing the impact of hurricanes David and Frederick on food availability and the food consumption patterns and nutrition levels of the urban and rural poor. The USAID used these analyses to develop a reconstruction project designed to balance the rebuilding of agricultural production capacity with the provision of food and thus minimize the effects of the drop in domestic food production and the loss of foreign exchange earnings. While most requests are not expected to be as urgent as this, the network of consultants and knowledge gained from the other consultancies undertaken will increasingly enable a quick and effective response to unanticipated as well as urgent requests.

Requests for assistance with limited tasks are expected to lead in some countries to the development of a longer-term collaborative relationship with that country where TDY consultants collaborate with host government personnel on a major data development and/or data analysis and planning program. These collaborative activities are expected to provide the major means by which the analytical methods developed under the auspices of the project are adapted to and tested in developing country planning systems. These activities will also assist collaborating countries improve their agricultural planning processes by helping country policy makers and planners better understand the linkages between agricultural policies and programs and food consumption and nutrition as well as by helping institutionalize the analytical methods developed and otherwise strengthening the existing planning systems. Several of the short-term policy impact studies are also expected to lead to longer term collaborative relationships.

In general, the project will limit technical assistance to consultancies whose exact nature will be specified in scopes of work mutually agreeable to all parties and which will be short-term in duration. The necessary long-term continuing commitment to improved agricultural planning must come from existing government agricultural planning staffs and USAID-financed personnel, if long-term, resident assistance is needed.

Information Dissemination. The project will organize and maintain an information network among project participants and other interested planners and policy analysts.

State-of-the-art workshops will be carried out to help identify the most critical gaps in knowledge and methodology. These workshops will also offer an opportunity for participating

developing country personnel to share experiences and for country officials to interact with the academicians working on relevant issues.

In due course, manuals and various papers will be published and these will be widely distributed to prospective users. This will be done through special mailings and through the AID Development Information Dissemination facilities.

A small conference will be held during the second year of the project and a major conference in the fifth year. These will produce reports which will summarize and evaluate pertinent knowledge and make it available to the interested community.

### Project Outputs

The first outputs of the CEAP project will be mainly in written form and will include: policy impact evaluations; state-of-the-art papers; analytical frameworks; technical reports describing the analytical techniques developed, both simplified and more complex; guidelines for using these techniques; reports on country-specific policy analyses made by using the analytical methods developed; consultant reports providing advice on, among other things, how to design and implement household surveys with a consumption/nutrition dimension and how to process and analyze such survey data; and workshops and conference reports. These papers and reports will be disseminated through the project's information network, mentioned earlier, as well as through the AID Documentation Distribution System.

Additional written materials should also result from the project, but not necessarily as part of it. Manuals describing appropriate computer hardware and the development of computer software to process and analyze data will also be prepared and disseminated. The more theoretically interesting results will undoubtedly be published by the analysts themselves in scholarly journals. Results stemming from the collaborative activities will probably be included in working documents prepared by the planning units producing them or by other organizations and agencies. A bibliography of all publications which incorporate project inputs will be routinely compiled and updated.

By the completion of the CEAP project, the tested and adapted methods should be internalized into the planning systems of most collaborating countries and the results made available for other countries to assess. Internalization implies that analysts and planners associated with local institutions will be capable of applying the methods, adapting them as necessary to changing conditions, and providing decision-makers with reliable results on a timely basis. This is the most important output of the project. It will begin to occur during the life of the project and should provide a strong influence on the agricultural planning of other countries.

### Project Inputs

The personnel inputs needed to carry out the project will be provided by the U.S. Department of Agriculture and U.S. contractors. Personnel with expertise in economics, agricultural economics, policy analysis, consumption economics, rural sociology, anthropology, nutrition, survey design, data processing, and data analyses will be needed. Because the strategy will be to develop as well as test methods in developing countries, project personnel will spend much of their time working in the participating and collaborating countries.

Approximately \$2.8 million will be needed to undertake the projected short-term policy impact, state-of-the-art, technical assistance and information dissemination activities. The project is expected to be completed within five years.

## PART III. PROJECT ANALYSIS

### A. Technical and Environmental Assessment

Agricultural planning systems and the capabilities of planning staffs vary greatly from developing country to developing country. This means that the types of analytical techniques used also range from relatively descriptive and qualitative analyses to more sophisticated mathematical modeling involving large computers, substantial amounts of data, and a technically-oriented policy-making environment.

To ensure that the planning methods and data systems developed as a result of this project will be relevant to and capable of being replicated in a broad range of countries, project activities will occur in a number of countries, carefully selected to represent a range of planning and policy needs and levels of planning capacity. This strategy is expected to provide experiences and results at three different levels of technical complexity:

1. Where quantitative data at the national or even sectoral levels are not readily available.
2. Where some consumption as well as economic data is available and planners and policy analysts have minimum levels of economic training.
3. Where some consumption as well as economic data is available, planners and policy analysts have some advanced economic training, and sector modeling techniques have already been experimented with.

Several of the policy impact evaluations are expected to develop and test a number of techniques for describing economic activities and consumption patterns suitable for use when quantitative data is not readily available. Other policy impact evaluations will identify and test a variety of techniques suitable for analyzing consumption/nutrition impacts when a variety of quantitative data is available on, for example, food production, imports and exports; food prices; household incomes and food consumption and/or expenditures

on food; amounts and costs of food produced by various types of farm households for sale and/or home consumption. Most techniques are expected to be relatively simple given the limited time analysts will have available. Others may be somewhat more complex but still partial in scope. In the Sudan evaluation, for example, the contractor will use data from an existing household consumption survey to estimate the demand of different socio-economic groups for wheat and sorghum and to construct income and price elasticity matrices to estimate how their demand is likely to change given changes in their incomes and prices. In the Senegal, Cameroon, Tanzania and Botswana evaluations, contractors will be expected to develop estimates of the supply and demand responses of various types of farm families. Techniques which may be used by contractors to develop these estimates include key informants, simple regression estimates using data already available or survey data collected by the contractor, if it can be done within the limited time available, or simple household models.

Data from an income and expenditure survey and a consumption survey will also be analyzed as part of the sub-project in Honduras. Techniques for estimating demand functions and constructing income and price elasticities will be adapted and refined. The Honduras sub-project will also adapt and test the utility of a relatively more sophisticated analytical technique -- a social accounts matrix model of the agricultural sector -- in an on-going planning system.

A strong theoretical foundation exist for the computation and use of income elasticity matrices in cash economies. Techniques for developing separate income elasticity estimates of demand for households at various income levels are readily available. These can be used to determine what happens to the food consumption patterns and implied nutrient intakes of households nutritionally at risk when their incomes change. The data needed to make these calculations already exist in a number of developing countries, but are not used for this purpose due to lack of interest and/or lack of analytical capability.

Further work may be needed before income elasticity matrices can be used to estimate the demand for food by rural households which derive a portion of their income in kind and have a choice regarding buying or growing any particular food item. Different income elasticities may have to be calculated for the same commodity depending on whether it was purchased or produced in the household. This would require modifying the standard income elasticity matrix.

The development of models which treat farm households as units which make simultaneous decisions about production and consumption choices is also a promising area for (1) improving our understanding of farm family behavior given changes in agricultural policies and (2) predicting their behavior. Work in this area is being financed under DS/N's "Consumption Effects of Economic Policy" project with Michigan State University and DS/AGR's "Poor Rural Households" project with Michigan State University, Cornell, and Purdue.

A state-of-the-art paper will be commissioned to review these and other selected farm household/firm models and evaluate their use or potential use for improving our understanding of and predicting the behavior of farm households. Models identified as technically sound and promising for use in analyzing the consumption/nutrition impacts of policies on farm households may be tested, refined and adapted to country planning needs as part of one or more of the collaborative activities to be developed.

Techniques for computing price elasticity matrices have been the subject of some controversy. One important question, for example, is whether the Frisch assumptions about money flexibility can be used to compensate for the lack of sufficiently specific price information. Another question is whether price elasticity matrices can be constructed from national cross-section survey data. A state-of-the-art paper will be commissioned to explore these issues and identify the most promising directions for future work.

To use these matrices and household models for analyzing policies and programs, they must be integrated into a country's existing policy analysis and planning system. Both techniques can be used in a wide variety of planning systems. All that is needed to utilize these techniques is forecasts of economic events -- crop projections, price forecasts, income projections, policy analyses. These can come from informed and experienced judgments, some seat-of-the-pants guesstimates, simple two-equation supply and demand projections, and/or complex, multi-stage models. But whatever their source, planners and policy makers will be able to use the elasticity matrices and the household models to translate the price and income effects of various policy and program options (which have already been forecasted) into their impacts on the food consumption patterns and implied nutrient intakes of various groups likely to be at risk from malnutrition.

A great deal of experience in modeling a developing country's agricultural sector has been gained over the last ten years. Numerous countries now have some type of sector model at some stage of development, including Nigeria, Korea, Columbia, Thailand, Philippines, Bolivia, Guatemala, Honduras, El Salvador, Nicaragua, the Dominican Republic, Tunisia, Pakistan. Techniques experimented with include linear programming, econometric, and systems simulation. As a result, there now exists a broad base of knowledge about the structure and operation of a developing country's agricultural sector and how to describe and predict its behavior. The steps taken to link the analytical techniques developed in this project with countries' existing planning systems will build upon this wealth of knowledge and experience. The work to be done in Honduras, i.e., converting their existing agricultural sector model to a social accounts matrix format and using it to assess the consumption impacts of alternative agricultural policies will also build on this knowledge and experience.

Scopes of work for the short-term policy impact studies, technical assistance and collaborative activities have been and will continue to be reviewed by members of the Inter-bureau Advisory Committee. Plans are to arrange for outside technical experts to augment their technical expertise if and when necessary. In all cases, economists and other social scientists will be expected to be conversant with a fair amount of technical nutritional concepts and to use nutritionists' inputs to help achieve sub-project objectives.

In the final instance, the methods which are developed will be the product of three factors: (1) what developing country planners and policy makers want, need, and can use; (2) what those carrying out the respective activities are capable of doing; and (3) what AID requires to meet the goal and purpose of this project.

The project will have no direct environmental impact.

## B. Financial Analysis

### Financial Rate of Return

It is generally recognized that, in countries where malnutrition is prevalent, improvement in nutritional status can make a significant contribution to national economic well-being. This may be achieved by improving the productivity of workers through improved health, strength, energy, and alertness. Returns to education may be increased through better learning ability, fewer sick days, greater alertness on the part of students, and reduced child mortality. Expenditure on health care may be reduced as the health of the population improves. All these factors may contribute to an improvement in national production.

While some attempts have been made to quantify the returns to improved nutrition, these calculations have only been suggestive of orders of magnitude, not accurate computations.

No attempt will be made to quantify the economic benefits from this project for several reasons. One cannot assume, for example, that this project will be the sole cause of a policy modification. However, even if it were the sole cause, the impact on national income could be so indirect that calculating a rate of return for the expenditure on the project would be an empty exercise. If the project is successful in inducing policy alterations which put more food in the hands of the needy, then food consumption by malnourished populations should increase. However, other factors besides increased purchasing power and food availability will also affect their nutritional status -- disease, parasite load, or nutritionally detrimental food habits. Even assuming that the recommended changes succeed in improving people's nutritional status, how much is gained economically depends on whether and what employment and educational opportunities exist for these people.

Another obstacle to calculating the rate of return on the project is that it is impossible to know in advance the extent to which the project's findings will be incorporated into the participating countries' planning systems. Agricultural policies are implemented for a variety of reasons, of which concern for nutrition will only be one. Methods developed by the project will help identify ways to enhance the consumption and nutrition benefits of policies/programs within

existing political, economic and resource constraints. However, these constraints cannot be predicted for all the countries which might use the project's methods.

Finally the economic payoff from improved nutrition will vary from country to country. Nor can it be predicted which participating as well as non-participating countries may draw on the findings of the project. For all these reasons, a rate of return on the project cannot be specified, even though the potential for substantial improvement in the status of the poor is high.

### Project Cost

The total cost of the project is estimated at \$2.8 million, budgeted over a five-year period.

In March 1980, \$1.085 million was authorized to fund the series of activities scheduled to begin during the first year of this project. Under this authorization a grant was given to the Center for Studies of Economic Development and Integration (ECID) of the Secretariat of the Central American Common Market to develop analytical methods for evaluating the consumption/nutrition impacts of agricultural policies working in Honduras in collaboration with the Government of Honduras. Three institutions -- the Center for Research on Economic Development (CRED), Development Assistance Corporation (DAC), and Research Triangle Institute (RTI) -- were also contracted with to undertake short-term policy impact evaluations in Cameroon and Senegal; Jamaica; and Botswana, Sudan and Tanzania.

The remaining \$1.715 million will fund activities scheduled over the remaining four years of the project. Over 40 percent of this \$1.715 million will be used for the short-term policy impact evaluations. Additional monies are needed to fully fund three of the evaluations initiated in FY80 (Jamaica, Cameroon and Senegal). Four additional evaluations will also be undertaken in countries still to be selected. Over 30 percent of the \$1.715 million will be used to fund technical assistance requests from countries/missions. The remaining funds will be divided among state-of-the-art papers and methods reviews and seminars, workshops, and an information workshop.

The tables which follow present tentative budgets for selected short-term impact studies and for the project as a whole.

TABLE II

<u>PROJECT BUDGET</u>			
(000)			
	<u>FY80</u>	<u>FY81-84</u>	<u>TOTAL</u>
<u>Methods Review</u>	\$ --	\$ 250	\$ 250
State-of-the-art papers, other reviews and evaluations and development of methods identified as a result of special TDY requests and collaborative activities.			
<u>Methods Development and Field Testing</u>	1,085	715*	1,800
Short-term policy impact evaluations (10 at \$120,000 each) ECID/Honduras sub-project (\$600,000)			
<u>Technical Assistance</u>	--	550	550
Utilization of substantive findings Design of impact analyses Reorientation of planning systems Survey design and implementation Data processing and analysis Staff training Other			
<u>Information Dissemination</u>	--	200	200
Information network Seminars Occasional workshops			
TOTAL	\$1,085	\$1,715	\$2,800

\* \$26,844 of the \$715,000 will be used to finish funding three of six evaluations contracted for in FY80.

TABLE III

SAMPLE ESTIMATED BUDGET  
SHORT-TERM POLICY IMPACT STUDY

Salaries and Per Diem

Food economist		\$ 32,500
Salary (6 months)	25,000	
Per Diem (5 months)	7,500	
Agricultural economist		21,000
Salary (4 months)	15,000	
Per diem (4 months)	6,000	
Local secretarial assistance		8,800
Bilingual secretary (4 months)	2,400	
Economists (2 for 4 months only)	6,400	

Travel

		9,500
International (3 round trips)	4,500	
In-country	5,000	

Office Space (4 months) 3,000

Report Preparation and Miscellaneous 5,000

SUB-TOTAL 30,000

Overhead (100% of Salaries) 40,000

GRAND TOTAL \$120,000

TABLE IV

SAMPLE ESTIMATED BUDGET  
SHORT-TERM POLICY IMPACT STUDY

<u>Salaries and Per Diem</u>		\$ 47,500
Senior agricultural economist 2.5 months @ \$7,000/month	\$17,500	
Two ex Peace Corps volunteers 6 months @ \$1,500/month, each	18,000	
Two local research assistants 6 months @ \$1,000/month, each	12,000	
<u>Survey Costs -- Equipment</u>		500
Scales for weighing foodstuffs, hand calculators, notebooks, etc.	500	
<u>Travel</u>		14,500
International (3 round trips)	6,000	
In-country	8,500	
<u>Report Preparation, Miscellaneous and Contingency</u>	15,000	15,000
	SUB-TOTAL	<u>77,500</u>
Overhead (100 percent of salaries)		33,900
	GRAND TOTAL	<u>\$111,400</u>

### C. Social Analysis

Government agricultural policies affect food production, returns to farmers and rural laborers, food availability in various markets, and income distribution. All these variables influence the social and economic welfare of different population groups and the health of the national economy. This project could have a substantial social impact if it succeeds in introducing consumption/nutrition considerations into developing countries' national agricultural planning systems.

The economic benefits which are expected to result in part from this project have been mentioned briefly in Section B. above. The social benefits of reduced morbidity and child mortality are self-evident. In addition, it is believed by some that improved incomes and nutritional status, by reducing infant and child mortality, will in the long-run lead to a reduction in the rate of population growth. This would constitute a substantial social and economic benefit in most developing countries. This project may also have a substantial social impact if, by addressing some of the negative consequences of existing agricultural policies, it encourages policy alterations which reduce or eliminate these disadvantageous features.

## PART IV. IMPLEMENTATION PLANNING

### A. Administrative Arrangements

AID will implement this project in collaboration with USDA. The Office of Nutrition will be responsible for management of the project but the conceptual-intellectual decision making will be fully shared between the Office of Nutrition (DS/N) and the Office of Agriculture (DS/AGR). Responsibility for the day-to-day monitoring and sub-project management, however, will be assigned to the USDA nutrition economics group working with AID under a RSSA. The USDA RSSA group will also be responsible for integrating sub-project activities and for designing and implementing the information network.

The Inter-Bureau Advisory Committee, with representatives from all regional bureaus, DS/AGR, DS/RAD, DS/PO and PPC, will provide overall guidance to the project and will review appropriate project documents, help identify countries in which to undertake activities, and evaluate project and sub-project performance. The ideas and interests of USAID staff and developing country professionals will also be solicited directly through cables, consulting trips, and the information network.

### B. Implementation Plan

This project is designed as an umbrella for a variety of activities. Project activities are planned to cover a five-year period, FY80-FY84. A series of short-term policy impact evaluations will be financed during the first three years of the project. The collaborative project in Honduras was financed the first year. Short-term consultancies will be undertaken throughout the life of the project. Integrating and information disseminating activities will also continue through the life of the project. A small conference will be held during the second year of the project and a major conference in the fifth year. State-of-the-art workshops will also be held periodically throughout the life of the project.

The short-term policy impact evaluations are and will be carried out by contractors selected through competitive bidding. The collaborative project in Honduras is being

carried out by the Center for Studies of Integration and Development of the Central American Common Market (ECID) under a grant. ROCAP signed the project agreement with ECID for AID. According to the three way memo agreed to by DS/N, ROCAP and USAID/Honduras, DS/N will assume responsibility for all substantive aspects of project management and ROCAP all administrative/financial aspects.

Short-term consultants will be obtained primarily through a RSSA with USDA. Other mechanisms for obtaining consultancy services for technical assistance to mission/countries, state-of-the-art papers, workshops, etc., include IQC's and purchase orders. Consideration was given initially to contracting for these services with one or two institutions under some type of umbrella arrangement. A brief review of potential contractors, however, indicated that no one or two institutions had a predominant capability in undertaking the kinds of data collection and analyses and methods development services needed. These activities are also expected to be quite diverse, many will be unrelated and most will be short in duration and/or small in dollar amount. For these reasons the decision was made to obtain these services through mechanisms already in place which are known to have the required flexibility.

Detailed implementation plans and evaluation schedules will be included in the scopes of work developed for the short-term policy impact evaluations. These will be cleared with the USAID's and regional bureaus. Similar implementation plans and evaluation schedules will be drawn up for each collaborative activity in conjunction with USAID's and country governments. Personnel and scopes of work of all technical assistance activities will be cleared by USAID's and regional bureaus.

An overall project evaluation will also be held approximately 12 months after the project is initiated and annually thereafter until the end of the project. The DS/N management team, RSSA staff, and members of the Inter-Bureau Advisory Committee will participate in these reviews.