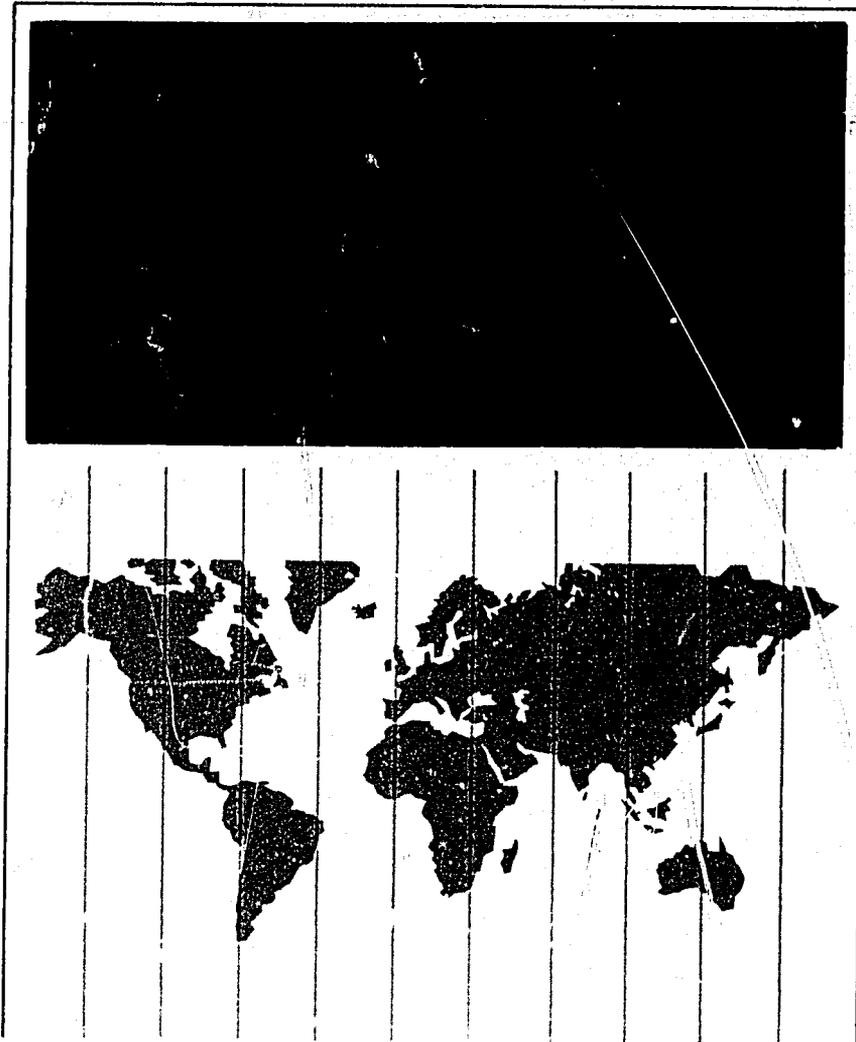


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UNITED STATES
AGENCY FOR INTERNATIONAL DEVELOPMENT

THE
INSPECTOR
GENERAL



Regional Inspector General for Audit
NAIROBI

USAID/TUNISIA
LIVESTOCK FEED PRODUCTION AND
UTILIZATION PROJECT NO. 664-0293

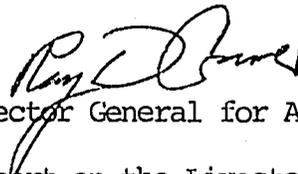
AUDIT REPORT NO. 3-664-82-01
NOVEMBER 25, 1981

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Regional Inspector General for Audit
Nairobi, Kenya

November 25, 1981

TO : Mr. Martin V. Dagata, Director
USAID/Tunisia

FROM : Ray D. Cramer 
Regional Inspector General for Audit/Nairobi

SUBJECT: Memorandum Report on the Livestock Feed Production and
Utilization Project No. 664-0293
Audit Report No. 3-664-82-01

Introduction

We have made a review of the Livestock Feed Production and Utilization Project (No. 664-0293). This examination covered the period from inception, April 1977, through September 1981, and included selected elements of a predecessor project, Accelerated Livestock Production (No. 664-0276). A.I.D. provided \$2.5 million of grant funds under the current project to finance the technical assistance costs of U.S. advisors, plus some training for Tunisian specialists and a limited amount of project commodities.

Our review was made to (a) verify compliance with the terms of the project agreement and related implementing documents, (b) identify any unresolved problem areas, and (c) ascertain the effectiveness of USAID/Tunisia monitoring of project activities. We reviewed pertinent project implementation and financial records maintained by USAID/Tunisia and the Government of Tunisia (GOT) implementing agency, Office of Livestock and Pastures (OEP). A separate structure within the OEP, "Project Integre" (OEP/PI), was established to implement this project.

Background

USAID/Tunisia has been involved with providing assistance to improve various phases of livestock production for about ten years. Beginning in 1971 with the Accelerated Livestock Production Project, A.I.D. provided \$1.35 million in technical assistance through a Participating Agency Service Agreement (PASA) with the U.S. Department of Agriculture. The purpose of this project was to increase meat production by developing forage production and feed utilization technologies, adapted to meet

the requirement of local farmers and to develop an infrastructure to deliver the improved technology to the target farmers. The principal results of the GOT and A.I.D. efforts were (a) the establishment in 1974 of the livestock extension service-- "Office de l'Elevage et des Paturages" (OEP), (b) the development of small farmer receptivity to improved technology, (c) the training of OEP technical staff, and (d) the identification of traditionally poor forage/seed production as the main constraint to increased livestock production.

From the experience gained from this initial effort, the GOT and USAID/Tunis agreed to emphasize the need for improved forage production and utilization of livestock feed. To accomplish this, the current project was initiated in 1977 with expected completion by the end of FY 1981. The objective of this project was to achieve GOT institutional capability to reach the small livestock farmer with modern technology in forage production, feed utilization, and livestock management throughout the country. Six long-term Technical Advisors were provided under a USDA PASA arrangement, supplemented by various short-term consultants. To insure the technical capability of OEP/PI, there were plans to have 18 staff members obtain M.S. degrees in U.S. educational institutions, and to provide in-service training to other members of the extension service agency. In addition, some project commodities were provided -- mainly seeds and agricultural equipment. All of the technical advisors except one had departed by September 30, 1981. The remaining advisor had been requested by the GOT to extend his stay until April 1982, the revised project completion date.

Of the \$2.5 million of A.I.D. funds available for the project, some \$2.0 million was used for technical assistance to support the PASA team. The other \$.5 million was for educational training in the U.S. and for various commodities.

Summary

Overall project accomplishments have been considered successful in providing advisor assistance to OEP management, up-grading of OEP/PI staff members through in-service training and periodic seminars, and by numerous demonstrations to the small livestock farmers during the project implementation period. The GOT has supported the thrust of this joint effort with adequate budgetary support to the OEP (totaling the equivalent of some \$5.0 million), and by improving governmental policies to help sustain increased livestock production. To insure that maximum results are obtained from the assistance provided by the technical advisors, the OEP needs to formalize their procedures to monitor implementation of the recommendations provided by the livestock specialists during their assignments to the project. This is of particular importance because the implementation agency is in the process of being reorganized, and some of the key staff members are to be reassigned to other activities.

Technical Assistance

The project agreement with the GOF was signed April 13, 1977. The principal input provided by A.I.D. for this project was the expertise of the technical advisor team to be made available under a PASA with USDA. One continuing problem throughout the project period was the lack of language capability by the U.S. technical staff. The situation was compounded because two languages are predominant in the Tunisian environment -- French and Arabic. Initially, the PASA staff was supposed to be competent in the French language, but this requirement was minimized in deference to technical capability. Furthermore, the majority of the livestock farmers spoke Arabic rather than French. Thus, communication between the various participants had to bridge the obstacle from English to French to Arabic. There was no ready solution to the difficulties encountered due to the different languages, but close cooperation between the technical advisors, the OEP and A.I.D. minimized the problem.

As of September 30, 1981, all of the PASA technical advisors have departed except for one, a dairy production expert. By mutual agreement, his services have been extended to April 1982. Therefore, the long-term benefits of the U.S. technical experts will be determined by (a) the various demonstrations and training provided to the Tunisian technical staff and livestock farmers, and (b) the degree to which the recommendations and advice of the technical team are implemented. The OEP/PI is scheduled to be reorganized during 1982, with many of the senior staff members being reassigned to other activities within and outside the OEP. Our review of the organizational structure of OEP/PI did not show that there was a functional system to record and monitor the numerous recommendations for technical, policy and administrative improvements for increasing livestock production. As such, much of the value of providing some \$2 million of technical expertise could be lost because the technical staff who worked with the U.S. advisors have been replaced with less experienced personnel. Therefore, we believe that there should be some organized system for documenting the recommendations of the U.S. advisors so that the benefits of their experience and knowledge of the Tunisia livestock industry can be retained. In addition, it would provide a method to measure the implementation progress for the management personnel of OEP who did not have the opportunity to be associated and trained by the USDA staff.

Recommendation No. 1

USAID/Tunisia assist the OEP/PI in establishing a procedure for follow-up on the major findings and recommendations of the U.S. technical experts to this project. The follow-up should provide for periodic measurement and reporting of the progress made to implement these recommendations.

This condition is further compounded because most of the Tunisian technical staff who obtained their M.S. degrees under this project are no longer associated with OEP/PI. Only one of the 13 technicians who obtained their M.S. degrees is still directly associated with the project; one technician is still in the U.S. working on his degree. This participant is slated to join a new A.I.D. sponsored project on Range Development. Another participant who returned to Tunisia on July 15th, 1981, after completing a M.S. degree, has yet to join his post with OEP/PI. The other eleven participants, who did work for OEP after their training, have transferred to other GOT/MOA jobs or are employed in private or international organizations.

The original project plans called for the 18 technicians to obtain M.S. degrees in U.S. universities. As of the phase-out of this project, only 14 personnel have been sent for their long-term educational training. The reduced number of participants was partly due to GOT policy that precluded OEP technicians selected for U.S. educational training from being retained on the GOT payroll. Under the policy, it became less attractive for OEP employees to participate in the opportunity for obtaining a M.S. degree if they had to forego their incomes while receiving the educational benefits. Had this policy been changed during the project period, the original goal may have been reached.

Project Commodities

There was approximately \$160,000 spent on commodities to support this project, principally for seeds, testing equipment and artificial insemination material. Most of the procurement activity was processed through the General Services Administration (GSA), coordinated by AID's Office of Commodity Management (SER/COM). With one major exception, the items for this project were effectively used in meeting the project needs.

Due to confusion in identifying the proper specifications, eleven SR-60 desk model programmable calculators were erroneously purchased in 1978 at a total cost of approximately \$20,000. These were too sophisticated for the needs of the intended users. What was needed and eventually obtained were eleven portable calculators for a total cost of about \$270. The error was not discovered until the items arrived at port in May 1978, and became GOT property. Thereafter, the USAID and SER/COM made an effort to return the desk model calculators to the supplier but to no avail. The eleven desk model calculators are still under the control of OEP. Our review of the OEP records indicated that many months elapsed before these calculators were made available to other organizations within the GOT; two of these calculators were issued by OEP in February 1980. At the time of our review, only one of the SR-60 calculators was being used fulltime by OEP/PI. Because these are A.I.D.-funded equipment, we believe that the USAID/Tunisia has a responsibility to ensure that these calculators are effectively used, preferably in support of A.I.D. projects.

Recommendation No. 2

USAID/Tunisia should determine if other A.I.D. projects have a need for the SR-60 calculators or whether they can be effectively substituted for new procurement. If not, the USAID should be assured that these calculators are available to other GOT activities that have a demonstrated need for them.

USAID/Tunisia Monitoring

USAID/Tunisia provided support and guidance to the U.S. advisors and coordinated efforts by all concerned toward a satisfactory conclusion of project activities. Implementation problems encountered have been addressed in varying degrees. They included a significant change in Mission policy which extended U.S. advisors' involvement to management level. This project received adequate coverage in both internal and external evaluations.

CC: Deputy Administrator
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AA/LEG
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GC
FM/ASD
IDCA/LPA
NE/NENA
PPC/E
DS/DJU (4)