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COUNTRY REPORT NO. 4

PRELIMINARY CRITERIA FOR USE
OF THE EXPERIMENTAL PROJECTS
PROGRAM FOR CENTRAL TUNISIA



**REGIONAL PLANNING AND AREA DEVELOPMENT PROJECT
INTERNATIONAL STUDIES AND PROGRAMS**

COUNTRY REPORT NO. 4

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PRELIMINARY CRITERIA FOR USE OF THE
EXPERIMENTAL PROJECTS PROGRAM
IN CENTRAL TUNISIA

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I. INTRODUCTION

The Experimental Projects Program has been established to finance pilot projects for the development of rural areas in the central Tunisian region. This region comprises portions of five gouvernorats, namely, Gafsa, Kairouan, Kasserine, Sidi Bouzid, and Siliana, of which the area to be covered under the program consists of nine delegations: Djedlianne, Djelma, Foussana, Kesra, Makthar, Rohia, Sbeitla, Sbiba, and Thala.

The Experimental Projects Program is a separately funded program in the context of the greater Central Tunisia Rural Development Project of which the overall objective is to promote improvement in the efficiency of decentralized development planning and in the implementation of integrated

regional programs in that region. The program will be implemented by the Office de Développement de la Tunisie Centrale (ODTC), within which the Planning and Evaluation Unit will be responsible for criteria development for the program and for project identification and design in consultation with the University of Wisconsin senior resident advisor.

The program will be dollar funded with a contribution from the United States Agency for International Development (USAID) of \$2.8 million in addition to a matching amount from the Government of Tunisia. The program funds will be disbursed in three tranches, each tranche to be evaluated before disbursement of subsequent funds.

Pilot projects funded under the program will focus on the following considerations:

- (1) Increasing the efficiency of and access to basic infrastructure and public services within the region.
- (2) Improving utilization and management of natural resources of the region.
- (3) Stimulating private investment and off-farm employment in the central Tunisia region.
- (4) Installing within the ODTC the institutional and technical capacities to effectively plan, program, and evaluate government-sponsored development activities in the region (Project Loan and Grant Agreement, Annex 2A, p. 1).

The projects should be innovative and experimental, undertaken on a small scale but having a high potential for replication elsewhere in central Tunisia. The projects should have a high probability of success, a favorable cost/benefit ratio, and should benefit low income families at least in proportion to their number, expressed as a percentage of the project area population (Project Loan and Grant Agreement, Annex 2A, p. 4).

The program fund will be used to finance a minimum of 15 pilot interventions within the nine-delegation target region. These interventions may include the use of: (1) new technologies, e.g., lower cost water delivery systems; (2) more efficient means of organizing and delivering social services, e.g., use of paraprofessionals; and (3) ways of exploiting complementarities among other subprojects and programs.

The ODTC will be responsible for managing the program while the role of the University of Wisconsin will be purely consultative. Criteria for the use of the program fund will be developed by the Planning and Evaluation Unit in consultation with the University of Wisconsin senior resident advisor. These proposals for criteria will be discussed and approved by the Government of Tunisia and USAID and incorporated into a project implementation letter.

The development of these criteria is a condition that must precede the initial disbursement of the program fund and all pilot projects proposed for financing would have to meet these criteria.

The University of Wisconsin team was composed of:

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Mr. George Deikun, Tunisia Project Manager, Regional Planning and Area Development Project, University of Wisconsin-Madison

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II. MISSION'S TERMS OF REFERENCE

A. OBJECTIVE

The objective of this mission was to make observations and preliminary proposals for criteria that the team members considered necessary for the efficient use of the Experimental Projects Program fund and to identify potential areas for government interventions.

B. WORK STRATEGY

The proposed criteria were developed from information gained through the following activities:

- (1) Examination of the physical and social characteristics of the central region in order to identify potential areas for experimental projects. For this purpose, visits were made to completed and on-going projects of agencies such as the Commissariat Régional du Développement Agricole (CRDA), Génie Rural, Programme de Développement Rural, Care-Médico, Save the Children Foundation, and the USAID Southern Siliana Integrated Rural Development Project.
- (2) Investigation of administrative and budgetary mechanisms which influence project implementation and operation.
- (3) Consideration of the general development goals of Tunisia as specified in the fifth Five-Year Plan, the Rural Development Program, and the general development strategy for central Tunisia, as specified in various project documents.
- (4) Collaboration at all levels of work and discussion with concerned parties of the ODTIC, including members of the Planning and Evaluation Unit (Messrs. Bedhiafi, Bouchoucha, Nafti, Hassinet, Sakri, and Daly) and M. Hanzouli, head of the Technical Division for Animal and Vegetable Production.

In order to assure that criteria proposals were well founded in the context of central Tunisia and that they would be useful in the project selection and evaluation process, a major concern of the mission was that its criteria proposals be developed with some understanding of the types of projects appropriate for funding under the program. Thus, criteria are required for selecting projects just as establishing criteria requires identifying project areas.

The methodology of work adopted by the team was an iterative and interactive procedure. In the initial stage, partially adequate criteria were formulated on the basis of limited knowledge of projects that would contribute to the attainment of the program's objectives. In the following stage, these criteria assisted team members in focusing more concretely on the potential projects. This fuller understanding in turn permitted the team to redesign the initial criteria in order to render them more appropriate to the program's objectives.

III. CRITERIA

A. MEANING OF EXPERIMENTAL

The concept of experimental includes at least one of the following.

Introduction to the region of:

- (1) New products, e.g., cheese
- (2) New services, e.g., improved health education for school children
- (3) New processes, e.g., canning
- (4) New organizational systems, e.g., transport cooperative
- (5) New scale of operations
 - (a) Production, e.g., cottage industry
 - (b) Organization, e.g., neighborhood group
 - (c) Delivery of services, e.g., low cost irrigation systems

B. DEFINITION OF BENEFICIARY GROUPS

These are the low income groups of the population with limited access to basic social services and infrastructure who live in dispersed settlements. In particular, a major effort should be directed at those living outside of the irrigated public perimeters. Similarly, women should be encouraged to participate in all economic and social activities.

C. SECTORAL SPREAD OF PROJECTS

In utilizing the fund, an attempt should be made to cover projects in as many sectors as possible--e.g., agriculture, health, and education--in a manner that inter-sectoral and inter-project linkages and complementarities are maximized. Accordingly, the agricultural sector should include, among others, projects in natural resource management, especially in land and water use. The non-agricultural sector should include, among others, projects in transportation, agro-industry, energy, and in providing social services, particularly health and nutrition.

D. SPATIAL DISTRIBUTION

These projects should be so located as to maximize the potential of the local resource base of the project area, with due regard to equitable distribution.

E. EMPLOYMENT GENERATION

In selecting projects and technologies, it is imperative that special consideration be given to those that have a greater potential for employment generation.

F. FUNDING

In reference to the Project Loan and Grant Agreement (Annex 2A, p. 7), the procedure for disbursement and documentation will be prescribed in project implementation letters.

G. IMPLEMENTATION CRITERIA

1. Community Participation

Community participation should be achieved through consultation and collaboration with the target population in order to promote public acceptance of the project and to realize its objectives.

2. Inter-Agency Coordination

While the ODTIC has overall responsibility for planning, coordinating, and implementing the Experimental Projects Program, it may,

in appropriate cases, call upon other agencies, public or private, to implement specific projects.

3. Project Proposals

For every project proposal considered for financing under the Experimental Projects Program, a project paper should be prepared which will provide pertinent information specific to the project, in compliance with the above criteria and including the following:

- (a) Project description
- (b) Objective and scope
- (c) Area
- (d) Sector
- (e) Executive agency
- (f) Project cost
- (g) Implementation schedule

H. MONITORING AND EVALUATION

While monitoring projects is a continuous process, at certain critical stages of project implementation a systematic review must be undertaken to assess progress and to anticipate problems that are likely to arise so that remedial or preventive action is taken to avoid complications and minimize delays. Accordingly, the first order of business of the ODTIC should be to formulate a project implementation schedule and to clearly specify the likely timing of its reviews. Such project reviews are considered crucial at least at the following implementation stages: (1) after project personnel have been mobilized; (2) after project equipment and services have been procured; (3) at project completion; and (4) at a reasonable time after the project has become operational. Project monitoring on these lines will facilitate the subsequent evaluation of projects.

Experimental projects that are not investment projects call for evaluation procedures that are more flexible and not too rigorous, but specific enough to test the product of an experimental project in terms of basic objectives. Specific consideration should be given to the following: (1) simplicity of management and operation; (2) replicability; (3) scale effect; (4) project reach numerically and spatially to beneficiaries; and (5) the project's ability to serve as a basis on which a subsequent investment project could be generated.

IV. CRITERIA APPLICATION

The purpose of the following discussion is to provide examples of how various project areas comply in substance with the proposed criteria. A total of ten criteria have been isolated. Of these, seven criteria can be directly applied to the list of potential project areas outlined in Annex A. These seven criteria include:

1. Innovation. Most of the projects in the list are innovative to some degree. The following projects have been singled out as particularly innovative:

- (a) Alfa harvesting tool
- (b) Prickly pear candy
- (c) Shelling and packaging of almonds

- (d) Use of olive cakes for animal feed, fertilizer, and soap
- (e) Introduction of new crop varieties, especially peanuts
- (f) Solar energy panels

2. Small Scale/High Potential for Replication. An attempt has been made to suggest potential projects that can be handled on a small scale basis and can be replicated elsewhere in the central Tunisia area. A general assessment, to be made in conjunction with project identification and selection, will determine the status of a potential project via-a-vis the criterion. We have chosen the following projects as mere illustrations:

- (a) Manufacture of milk products, especially cheese and yogurt as a cottage industry
- (b) Processing and packaging of honey
- (c) Irrigation system components and hand pump manufacture

3. Benefit Low Income Families. Most projects suggested will benefit low income families to varying degrees. The benefits of some projects will be more immediate and tangible. These include:

- (a) Introduction of improved health and nutrition practices
- (b) Transport and trucking cooperatives
- (c) Catchment basins and plains
- (d) Introduction of new crop varieties

4. Experimental. Experimental, as outlined above, means introduction to the region of a new product, service, process, organization, or scale. Projects that are experimental in nature include:

- (a) Alfa harvesting tool
- (b) Prickly pear candy
- (c) Introduction of new crop varieties
- (d) Transport and trucking cooperatives
- (e) Solar energy panels
- (f) Food processing

5. Employment Generation. All projects suggested are directed at generating maximum employment opportunities although some tend to be more labor intensive than others. These include:

- (a) Fertilizer production--lime, olive cakes, etc.
- (b) New crop varieties
- (c) Irrigation systems components and hand pump
- (d) Milk products
- (e) Packaging prickly pears

6. Inter-Agency Coordination. Many of the projects outlined require coordination between the ODTC and other agencies, both private and

public. This is particularly true of the following:

- (a) Food processing
- (b) New crop varieties
- (c) Irrigation system components and hand pumps
- (d) Solar energy panels

7. Exploitation of Natural Resources. Suggested projects are based on the successful exploitation and efficient utilization of resources in the central Tunisia region. Examples include:

- (a) Alfa
- (b) Clay, gypsum, lime
- (c) Cactus
- (d) Food processing
- (e) Olives
- (f) Tourism

Examples of other criteria include the following:

1. Sectoral Spread. A quick glance at the list of potential project areas reveals that an attempt has been made to diversify the sectors covered under the experimental fund. Examples include:

- (a) Agriculture-related
 - (1) Alfa, cactus, almonds, olives
 - (2) Water-related projects
 - (3) New crop varieties
- (b) Small industry
 - (1) Food processing
 - (2) Olives
 - (3) Milk products
 - (4) Gypsum, clay, and lime
- (c) Services
 - (1) Transportation and storage
 - (2) Health

2. Spatial Distribution. Spatial distribution is intricately tied to the beneficiary group and the availability of natural resources. Potential project areas were selected with a view to maximize spatial distribution.

3. Community Participation. This will take the form of consultation with members of different communities in the phases of project design and implementation. Projects of the agricultural sector are especially suitable to accommodate this criterion.

An illustration: introduction of cultivation of peanuts.

As an experimental project aimed at introducing new crop varieties, in this particular case, the introduction of peanuts satisfies

the preliminary criteria in the following ways:

- (a) Innovative and experimental. While the cultivation of peanuts has been undertaken in other parts of Tunisia, it has not been introduced in the nine delegation target area. Therefore peanuts are a new product which, if successfully grown in the region, could constitute an important agricultural activity.
- (b) Small Scale/High Potential for Replication. Introducing new crops to a region must be based on experimentation and demonstration. Initially, the introduction of new crops will have to be carried out on a small scale. The potential for replication will be determined by the success rate of such a project.
- (c) Benefit to Low Income Families. Many of the low income families in the region are dryland farmers. Since peanuts need little rainfall and can grow in sandy soil, they appear to be particularly suitable for the region. The peanuts grown could be used to augment the diet of the farm family and they could also be used as a cash crop.
- (d) Sectoral Spread. While the growing of peanuts is essentially an agricultural activity, it touches on non-agricultural sectors, particularly in the area of processing and packaging.
- (e) Employment Generation. Introducing a new crop generates employment for both males and females of farming families. Furthermore, the processing of peanuts would generate labor in the industrial and commercial sectors.
- (f) Community Participation. Agricultural projects place a premium on participation by the target population. Introducing a new crop such as peanuts will be done in consultation and collaboration with low-income farmers.
- (g) Inter-Agency Coordination. The introduction of new crops such as peanuts would necessitate coordination between the ODTG and other agencies of the Ministry of Agriculture. Processing would require similar coordination.

V. CONCLUSION

The purpose of the University of Wisconsin mission has been twofold:

- (1) To identify potential areas of government intervention.
- (2) To prepare a preliminary set of criteria for the use of the Experimental Projects Program.

The basic strategy of the mission's work in the field has been to attempt to coordinate potential project areas with the evolving criteria. In drawing up these criteria the mission took into account the Project Loan and Grant Agreement between the Republic of Tunisia and the United States Government and other documents relevant to their formulation.

These criteria should be looked at as a whole, each in relation to the rest, in order to appreciate their overall thrust in the context of central Tunisia. By the same token, in identifying and selecting experimental projects, those concerned should look for compliance in substance with these criteria. This calls for a flexible approach and considerable judgment on a case-by-case basis.

The mission's hope is that this report, prepared in a consultative capacity, will be helpful to the Government of Tunisia and USAID in arriving at a mutually acceptable set of criteria.

VI. ANNEXES

ANNEX A

LIST OF POTENTIAL PROJECT AREAS

1. Alfa
 - a. Treatment of alfa pulp to produce quality paper
 - b. Paper products for commercial and industrial use
 - c. Paper-based handicrafts
 - d. Alfa harvesting tool
2. Clay
 - a. Pottery for domestic use and handicrafts
 - b. Clay-based containers for commercial use
3. Gypsum
 - a. Tiles
4. Lime
 - a. Whitewash production
 - b. Fertilizer production
5. Cactus
 - a. Packaging prickly pears for export within the country and outside
 - b. Prickly pear candy
6. Milk Products
 - a. Cheese
 - b. Yogurt
 - c. Establishment of milk collection points
7. Food Processing
 - a. Pitting, drying, packaging and canning; preserve, and juice making of the following: apricots, tomatoes, carrots, peppers, fava beans, chick peas and others
 - b. Processing and packaging of honey for commercial use
 - c. Almonds
 1. Shelling and packaging of almonds for commercial use
 2. Almond-based products such as: extracts, candies, and pastes
8. Olives
 - a. Use of olive cakes for the production of animal feeds, fertilizer and soaps
9. New Crop Varieties
 - a. Introduction of the cultivation of peanuts, soybeans, and walnuts
10. Tourism
 - a. Development of potential tourist sites
 - b. Tourism promotion in the area

11. Water-Related Projects
 - a. Catchment basins and plains
 - b. Retention pools
 - c. Locally produced irrigation system components and hand pumps
 - d. Hand pumps maintenance training

12. Energy
 - a. Solar
 1. Water and house heating panels
 2. Fruit drying

13. Transportation and Storage
 - a. Transport and trucking cooperatives (to be developed in conjunction with collection centers)

14. Health
 - a. Introduction of improved health and nutrition practices among children

ANNEX B

VISITS IN CENTRAL TUNISIA REGION BY THE MISSION

1. Save the Children Foundation, Makthar
Discussion of SCF's work program in the central region including SCF's problems in its first phase of work in the Southern Siliana Rural Development Project as well as an overview presentation of SCF's proposed work program for the following two years (1980-1982).
2. Bureau Régional de l'ODTC and Public Irrigated Perimeter, Sbiba, Monsieur Khouni
Discussion of possible experimental projects in the Public Irrigated Perimeter (PPI) of Sbiba, including the following issues: refinement, processing, and packaging of agricultural produce and conservation practices. Visit to demonstration farms for the introduction of new crop varieties and for the improvement of local live-stock strains.
3. Field Office of the Direction des Forêts (Kasserine Gouvernorat) in Ain Amara (near Boudriess)
Discussion with the field representative concerning the manner in which rosemary is exploited in the region, including financial and employment considerations, environmental, social and economic impacts. Discussion was followed by a visit to a traditional rosemary distillation site.
4. Cactus Plantation, Foussana
Discussion with local farmers about uses and marketability of cactus.
5. Bouhedma National Park, outside of the Mezzouna
Visit to investigate how the Ministry of Agriculture was going about the planning of a proposed museum/tourist center in the park.
6. Commissariat Régional de Développement Agricole (CRDA), Sidi Bouzid; Service des Forêts, M. Abbas
Discussion about possible experimental interventions in the target zone given the experiences in Sidi Bouzid of the SIDA and FAO projects.
7. Bureau Régional de l'ODTC, Sidi Bouzid
Discussion with bureau officers on potential experimental interventions.
8. Feed Concentrate Mill, Mezzouna
Visit to mill and discussion concerning its activities and its regulation and subsidization by the Office des Céréales.
9. Gypsum Quarry and Gypsum Processing Plant for Plaster Manufacturing, Maknassy
Visit to the quarry and facility to discuss uses being made of gypsum and other potential non-industrial commercial uses.

10. Unoperational Phosphate Mine, Maknassy .
Visit to determine whether the mine is completely unuseable or if other non-capital intensive mining activities could be initiated.