

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE

A
A = Add
C = Change
D = Delete

Amendment Number

DOCUMENT CODE
3

2. COUNTRY/ENTITY

USAID/Tanzania

3. PROJECT NUMBER

621-0170

4. BUREAU/OFFICE

Africa Bureau

06

5. PROJECT TITLE (maximum 40 characters)

Masai Districts Village Water/Transport

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY
8 3 11 8 2

7. ESTIMATED DATE OF OBLIGATION
(Under 'B' below, enter 1, 2, 3, or 4)

A. Initial FY 8 1

B. Quarter 4

C. Final FY 8 1

8. COSTS (\$000 OR EQUIVALENT \$1 = 8.21)

A. FUNDING SOURCE	FIRST FY			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(590)	()	(590)	(590)	()	(590)
(Loan)	()	()	()	()	()	()
Other:						
U.S.						
Host Country		270	270		270	270
Other Donor(s)						
TOTALS	590	270	860	590	270	860

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) DR	901	940				590		590	
(2)									
(3)									
(4)									
TOTALS									

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

11. SECONDARY PURPOSE CODES

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

PA Code BR
B Amount 590

13. PROJECT PURPOSE (maximum 480 characters)

To help solve the critical problems of water and transport in villages located in the semi-arid drought prone areas of the three Masai districts.

14. SCHEDULED EVALUATIONS

Interim MM YY MM YY Final MM YY

15. SOURCE/ORIGIN OF GOODS AND SERVICES

000 94 Local Other (Specify) 935

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

Signature

18. DATE DOCUMENT RECEIVED IN AIDM OR FOR ATTACHMENT

FD-444-783
IS. 1372

001010J-72

MASAI DISTRICTS VILLAGE WATER AND
TRANSPORT DEVELOPMENT PROJECT

(621-0170)

BEST AVAILABLE DOCUMENT

PROJECT PAPER

July 28, 1981

ACTION MEMORANDUM FOR THE ACTING MISSION DIRECTOR, USAID/TANZANIA

FROM: TIM MILLER, PROJECT OFFICER

SUBJECT: Authorization of Masai Districts Village Water and Transport Development Project (621-0170)

Problem: Your approval is required to execute a grant in FY 81 from the Disaster Relief and Reconstruction appropriation to Tanzania for the Masai Districts Village Water and Transport Development.

Discussion: The three Masai Districts of Monduli, Kiteto and Ngorongoro comprise an area of the Arusha Region characterized by low and variable rainfall and high vulnerability to drought conditions. During the implementation of the Arusha Planning and Village Development Project (621-0143), in-depth village level reconnaissance surveys revealed the extent of the problem. Village level dialogue resulted in specific recommendations and requests from the villagers themselves.

This small project, based on the villages request, was submitted for review to AID/W by Dar. 1405 in March 1981. Under State 115058 the Acting AA/AER authorized the further development of the project. A Mission review for the Masai Districts Village Water and Transport Development held on July 15, 1981 recommended that that project be approved subject to clarification of the following points.

1. Reconfirm costs of lorries, Land Rovers and windmills.

- Based on a review of the budget by the APVDP water supply advisor nine lorries will be purchased instead of ten. The amount previously budgeted for the other items remains unchanged.

2. The project description as reviewed calls for the purchase of four Land Rovers whereas the original proposal submitted to AID/W called for three.

- The APVDP water supply advisor has indicated that the additional Land Rover will be used by the Regional Water Engineer. After the first draft of the project was submitted it was reviewed by the newly appointed Regional Water Engineer. He felt that in order to provide better operation and maintenance capability in the Districts closer supervision by the Regional Engineer would be necessary. At present the engineer has no reliable transportation.

3. A statement be added to the project paper and project agreement stating that the lorries will be sold for the procurement cost.

4. A covenant be added to require that the funds derived from the sale of the lorries be additive to the District Water Supply Maintenance and Development Budgets.

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5. Additional information on the use of the lorries.

- The lorries purchased under this project will be used by villages and wards to import food supplies, veterinary medicine, and other productive related commodities. The provision of transport will alleviate current deficiencies as well as provide an incentive for the marketing of livestock in order to purchase supplies.

The project is designed to help solve the critical problems of water and transport in villages located in the semi-arid, drought-prone areas of the three Masai Districts. Improved water supply will be accomplished through upgrading the District Water Development offices, provision of spare parts; improved maintenance through the training of village technicians; and the introduction of low-cost, easily maintainable water systems. The local currency for carrying out these activities will be generated through the sale of lorries to villages to facilitate the flow of agricultural and livestock goods into and out of the villages.

U.S.A.I.D. will provide \$590,000 in foreign exchange for the purchase of nine 7-ton lorries, four Land Rovers, spare parts for the heavy water system development machinery, borehole spare parts, and ten windmills with storage tanks. The Government of Tanzania will provide the local currency resources necessary for maintenance training support for the vehicles and installation of the windmills. The TanGov will also provide the regular water development operation and maintenance budgets of the districts.

As the project is being funded under the Disaster Relief and Reconstruction Appropriation an Initial Environmental Examination (IEE) is not required and procurement from Code 935 countries is authorized.

Justification to the Congress: Not necessary per State 115058

Recommendation: That you sign the attached Project Authorization

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PROJECT AUTHORIZATION

NAME OF COUNTRY : UNITED REPUBLIC OF TANZANIA
NAME OF PROJECT : MASAI DISTRICTS VILLAGE WATER AND TRANSPORT DEVELOPMENT
NUMBER OF PROJECT : 621-0170

1. Pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Masai Districts Village Water and Transport Development Project for the United Republic of Tanzania, involving planned obligations of not to exceed \$590,000 (five hundred and ninety thousand United States Dollars) in grant funds over a one year period from date of authorization, subject to availability of funds in accordance with the A.I.D. allotment process, to help in financing foreign exchange costs of the project.

2. The project consists of improved water supply through the provision of Land Rovers to facilitate and monitor maintenance of water systems in the districts, spare parts for water catchment construction equipment, borehole spare parts and windmills with storage tanks. Also funded will be lorries which will then be available to sell to villages. Proceeds from these sales will be used to finance local currency costs of water development activities.

3. The project agreement, which may be negotiated and executed by the officer to whom such authority has been delegated in accordance with A.I.D. regulations and Delegations of Authority, shall be subject to the following terms, together with such terms and conditions as A.I.D. may deem appropriate.

a. Source and Origin of Goods and Services

Goods and services financed by A.I.D. under the project shall have their source and origin in the Cooperating Country or in countries included in A.I.D. Geographic Code 935, except as A.I.D. may otherwise agree in writing.

b. The Cooperating Country shall covenant:

- (1) to insure that the funds derived from the sale of the lorries be additive to district water supply maintenance and development budgets.
- (2) to provide all local funds and local labor to properly carry out and complete the work required in the project on a timely basis.
- (3) to develop and utilize a suitable system of usage reports for the lorries to be purchased by villages on a loan basis.

(4) to make available as required District functional officials to assure the quality and timely completion of the work.

Signature: *Mary L. ...*
7/28/81
Acting Director, USAID/Tanzania

Drafter: ARD:TMiller:hm:zd:7/28/81
TM

Clearance: PRI:MBonner
CON:IPeterson
A/ADQ:JGoodwin
REDSO/EA:ESpriggs (substance)

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Masai Districts Village Water and Transport
Development Project
(621-0170)

I. Summary

This project is designed to help solve the critical problems of water and transport in villages located in the semi-arid, drought-prone areas of the three Masai Districts. Improved water supply will be accomplished through upgrading the capabilities of District Maji (Water Development) offices; provision of spare parts; improved maintenance through the training of village technicians; and the introduction of low-cost, easily maintainable water systems. The local currency for carrying out these activities will be generated through the sale of lorries to villages or wards to facilitate the flow of agricultural and livestock goods into and out of the villages. Funds generated from the loans to villages will be reinvested by the Districts in water development activities. USAID will provide five hundred and ninety thousand dollars for this project to cover foreign exchange costs.

II. Background

The three Masai Districts of Monduli, Kiteto and Ngorongoro comprise almost two thirds of Arusha Region. The majority of this area falls into an ecoclimatic zone characterized by having low (less than 600 mm) and variable rainfall and is highly vulnerable to drought conditions. Based on this, USAID funded the Arusha Drought Roads Project (1975-1979) under which 400 miles of new roads were constructed.

Monduli is the most centrally located of the three districts with an area of 16,061 square kilometers and a population of 68,900 people. Kiteto District was formed in 1974 and is almost twice the size of Monduli District with an area of 32,475 square kilometers and a population of 59,800 people. Ngorongoro District, established in 1979, is the newest of the three districts with a land area of 15,431 square kilometers and a population of 47,000 people.

Common to all three Districts is the reliance of the local population on livestock production. Villages are scattered throughout the three Districts with few having adequate water supplies for human and livestock consumption and almost none having access to transport for necessary goods. All three districts are food deficit areas, a situation which is aggravated in times of drought. These two problems have been consistently identified by District Planning Committees and local villages as the chief impediments to development.

III. Project Description and Budget

This Project was designed to meet the foreign exchange component of the transport and water requirements of villages in areas most susceptible to drought.

A. Water

The highest priority of the Districts is to maintain existing water supply systems. Up to forty percent of the existing systems (primarily boreholes) are not providing adequate water. This project will upgrade the capabilities of the District Offices through improved transport and equipment to facilitate the maintenance of existing systems. A landrover will be provided to each of the three District Maji Offices, and one for Regional supervision and assistance; \$50,000 for borehole spare parts; and \$30,000 for spare parts for the Maji heavy equipment (D-7s, D-6s, and D-4s.)

Regional and District personnel place high priority on training village technicians for the maintenance of existing water supply systems. These are currently being organized in the Region and will facilitate both the identification of technical problems and solutions to village level water problems. The early identification of known technical problems combined with support provided under this project should substantially assist MAJI to provide necessary support to village water projects.

The Arusha Region assigns highest priority to the installation of systems which require as little sophisticated equipment as possible. This includes focusing on small water catchments modeled after traditional "water holes". The Regional Water Engineer has requested spare parts under this project to repair existing heavy equipment for use in installing simple water catchments.

Approximately 22 villages in the Districts depend on boreholes for their water supplies. Spare parts and replacement equipment are to be provided under this project. To help insure the effective utilization of this new equipment, the Region has stepped up its training program for pump attendants.

Some boreholes are placed to take advantage of wind energy for water pumping. Ten windmills and component storage tanks will be provided at already identified sites. The Australian Southern Cross windmill has proven to be the most effective in comparable situations in Tanzania. Therefore, a training program for village technicians to maintain these windmills is planned during the construction phase.

B. Transport

The nine lorries will be sold to villages on a loan basis. The lorries will be used by the villages and wards to import food supplies, veterinary medicine and other productive related commodities. The provision of this transport will help alleviate current deficiencies as well as provide an incentive for the marketing of livestock in order to buy desired supplies. The use of the lorries will be determined by the villages, but with the usage and accounting reporting assisted by the Ujamaa and Cooperative Development Division.

The responsible legal entity will be the Village Council recognized by the Government of Tanzania. The loans will be based on current Tanzanian Rural Development Bank guidelines for lorry loans which include a 25,000 shilling down payment, a five year repayment period, and a 7.5 percent interest rate. The lorries will be sold to the villages at the procurement cost. Joint title (TanGov/Village) will apply to the vehicles until the debt is paid in full with provision for repossession and relending of the lorries to other villages in the event of default in the loan contract. The Region will be responsible for obtaining full insurance coverage for each lorry, charging each village as appropriate. Loan repayments will be made quarterly to a special District Development account administered by the District Accountant. The funds accumulated overtime in this account (estimated to be about 800,000 shillings per District) will be used to support water supply system maintenance operations and the testing of low-cost, easily maintainable technology such as water catchments. Specific project proposals for the use of the loan repayment funds will be developed by the District Maji Office in cooperation with the participating villages. These proposals will be reviewed and approved by the District Development Committee. Funds will be released on approval of the specific project proposals by the Arusha Regional Authorities which will certify that adequate technical and development planning has been done. At the village level, the Ujamaa and Cooperative Development Department will provide assistance in accounting and book-keeping as well as perform the audit function. The revenues from the loans will be administered and managed by the District Development Director and his staff, with audit and supervisory functions being performed by the Regional Development Director. Past experience and assessments during project 621-0143 Arusha Planning and Village Development (APVDP) indicated that both the village support and District and Regional systems are sufficiently sound to insure good management, administration and auditing.

District records show that several villages in the three Masai Districts have accumulated the 25,000 shilling down payment required for the purchase of a lorry. Experience shows that villages are capable of managing the operation of a lorry. District Ujamaa and Cooperative Development offices will provide training and technical assistance in accounting and in the preparation of usage reports. Models for such training and assistance have already been developed and tested under the APVDP.

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IV: USAID Budget (all Foreign Exchange requirements)

Landrovers for the Region and Three District Maji Offices 4 landrovers @ \$20,000	\$80,000
Spare parts for D-7s, D-6s, and D-4s for the construction of small water catchments	30,000
Borehole spare parts:	50,000
Windmills and storage tanks 10 @ 10,000	100,000
Lorries 9 @ 36,600	329,400
	<u>Total</u>
	589,400
	Rounded to
	590,000

TANGOV Contribution:

MAJI operation and maintenance budget:

Monduli	\$45,120
Ngprongoro	84,150
Kireto	79,270
	<u>208,540</u>

Comworks maintenance, training support for vehicles:

@ Shs. 25,000 per lorry x 9	27,440
20,000 per landrover x 4	9,760
	<u>37,200</u>

Installation of windmills:

@ Shs. 20,000 —	24,390
	<u>Total</u>
	270,130

Project Development

This project is an outcome of the intensive regional planning exercise financed by the USAID-sponsored Arusha Planning and Village Development Project. Field investigations as well as detailed discussions were conducted with villages and senior District government and party officials in all three Districts. Technical contributions were made in these discussions from the appropriate District functional officers.

This project has also called upon the technical experience and advice of the Regional Maji Engineer. His presence during the USAID-sponsored Masai Range Project gives insights into some of the previous problems of interface between Maji and AID as well as knowledge about the constraints and problems in the three Masai Districts. The Regional Maji Office is preparing the specifications for the orders to be placed under this project.

The village level training component will have the technical assistance of the APVDP water system engineering advisor since he is already working on similar programs for Hanang, Mbulu and Arumeru Districts. The Region will support the training program through the provision of a skilled person to help design, organize, and conduct the courses. The operations and maintenance engineer in the Regional Maji Office will supervise all activities which will be carried out primarily by the District Maji Offices.

VI. Project Implementation

All of the funds under the project are designated for foreign exchange purchases. The Regional Maji Office, in cooperation with the District Maji Offices, will prepare the specifications for the needed equipment; these will be reviewed by the APVDP Water Systems Engineering Advisor, and will be procured through regular USAID procedures. The local currency funds will be managed and administered by the three Districts, with project proposals submitted to the Region for review and approval and with District Ujamaa and Cooperative Development Departments' provision of accounting and usage records assistance to the designated villages. The implementation schedule is as follows:

- | | |
|---------------|--|
| August 1981 | Project Agreement signed between USAID and the Ministry of Finance |
| October 1981 | Finalization of equipment orders and equipment ordered by USAID |
| December 1981 | Plans for the maintenance and development of low cost water systems developed. |
| February 1982 | Training of Village level technicians completed. |
| March 1982 | Arrival of equipment and commencement of water systems operations. |
| March 1982 | Sale of lorries and commencement of village loan program. |

VII. Potential Benefits

The Project will introduce new approaches for the maintenance and provision of safe water for human and livestock production in at least 25 villages in the drought prone areas of the three Masai Districts. The generation of local currency will help insure the funds necessary for system maintenance and development over the next five years. The provision of transport will help supply this food deficit area.

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