

PD-AAN-287

ICN-31585

696 PLO2/15

CLASSIFICATION

PROJECT EVALUATION SUMMARY (PES) - PART I

Report Symbol U-447

PROJECT TITLE Program Review: PL 480 Title II Catholic Relief Services			2. PROJECT NUMBER AID/SOD/PDC-G-0292	3. MISSION/AID/W OFFICE Rwanda
			4. EVALUATION NUMBER (Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY) <input checked="" type="checkbox"/> REGULAR EVALUATION <input type="checkbox"/> SPECIAL EVALUATION	
5. KEY PROJECT IMPLEMENTATION DATES		6. ESTIMATED PROJECT FUNDING		7. PERIOD COVERED BY EVALUATION
A. First PRO-AG or Equivalent FY <u>80</u>	B. Final Obligation Expected FY _____	C. Final Input Delivery FY _____	A. Total \$2,975,700 B. U.S. \$ _____	From (month/yr.) <u>9/30/79</u> To (month/yr.) <u>4/12</u> Date of Evaluation Review <u>April 13-30, 82</u>

8. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR

A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., airgram, SPAR, PIO, which will present detailed request.)	B. NAME OF OFFICER RESPONSIBLE FOR ACTION	C. DATE ACTION TO BE COMPLETED
See p. 14 of attached report	A. Getson	

<p>9. INVENTORY OF DOCUMENTS TO BE REVISED PER ABOVE DECISIONS</p> <p><input type="checkbox"/> Project Paper <input type="checkbox"/> Implementation Plan e.g., CPI Network <input type="checkbox"/> Other (Specify) _____</p> <p><input type="checkbox"/> Financial Plan <input type="checkbox"/> PIO/T _____</p> <p><input type="checkbox"/> Logical Framework <input type="checkbox"/> PIO/C <input type="checkbox"/> Other (Specify) _____</p> <p><input type="checkbox"/> Project Agreement <input type="checkbox"/> PIO/P _____</p>	<p>10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT</p> <p>A. <input type="checkbox"/> Continue Project Without Change</p> <p>B. <input type="checkbox"/> Change Project Design and/or <input type="checkbox"/> Change Implementation Plan</p> <p>C. <input type="checkbox"/> Discontinue Project</p>
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<p>11. PROJECT OFFICER AND HOST COUNTRY OR OTHER RANKING PARTICIPANTS AS APPROPRIATE (Names and Titles)</p> <p>Alan V. Getson Health Officer</p>	<p>12. Mission/AID/W Office Director Approval</p> <p>Signature _____</p> <p>Typed Name _____</p> <p>Date _____</p>
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Executive Summary

Prepared by: Alan V. Getson, AAO/Rwanda
Date: September 30, 1982
Project: P.L. 480 Title II
Country: CRS Rwanda
Cost: \$131,472 Outreach
2,975,700 Commodities
Project Period: Indefinite

I. What constraints did this project attempt to relieve?

The PL 480 Title II program implemented by CRS Rwanda is primarily an attempt to improve the nutritional levels of the preschool age children and lactating and pregnant mothers. According to present estimates Rwandans consume 80-85% of the minimum daily caloric intake necessary for maintenance of nutritional health. Of the CRS recipients for FY82 63% are concentrated in the sector of Maternal Child Health, 29% are students in secondary schools or institutions engaged in vocational pursuits, including teaching improved agricultural methods.

II. What technology did the project promote to relieve this constraint?

Title II commodities consist of plain cornmeal, non-fat dry milk, rice, edible oil and bread flour. None of the commodities are processed in Rwanda except rice which is used on an experimental basis. The provision of this blended-fortified foods, is meant to be a nutritional supplement to the diet and an economic assistance to the family. Through the program the mothers learn of the direct relationship between good diet and growth, they also learn of new varieties of preparing foods to assure that the child's diet is nutritious. The centers teach new agricultural techniques and encourage the families to participate in development activities.

III. What technology did the project attempt to replace?

The PL 480 Title II commodities attempted to improve the diet of infants and mothers in Rwanda in the hope that healthy infants would discourage families from the traditional practice of having many children.

IV. Why did project planners believe that intended beneficiaries would adopt the proposed technology?

The program is implemented through the nutrition centers around the country. These centers are operated both by government officials and missions located in rural Rwanda. The services of the center have been sought by the population through the years and the centers' popularity assured that the program would be successful as the population looks to these centers for help in improving their health and the health of their children.

- V. What characteristics did the intended beneficiaries exhibit that had relevance to their adopting the proposed technology?

Rwandans display devotion to their families and particularly the children and will participate actively in any program available to improve the welfare of their children.

- VI. What adoption rate has this project achieved in transferring the proposed technology?

Because of the "contract" nature of the CRS program it has a great chance of assuring that the participants follow the guidelines of the program and adopt the program's practices at least while enrolled. CRS maintains growth charts on each participating child and can therefore monitor the family's progress. CRS records show some 65-70% adoption rate of the families enrolled in the program.

- VII. Has the project set forces into motion that will induce further exploration of the constraint and improvements to the technical package proposed to overcome?

The nutrition centers have developed gardens on the site and have requested participants to contribute food to supplement the PL 480 food commodities. One of the most recent activities of the nutrition centers is to process oilseeds into edible oil. The oilseed comes either from plants grown at the centers or grown at participants homes and brought to the center for processing.

- VIII. Do private input suppliers have an incentive to examine the constraint addressed by the project and to come up with solutions?

Given the low per capita incomes of Rwandans they do eat as well as they can afford. Once the relationship between good eating and good health are accepted by the population one can expect an increased availability of more nutritious foods to be supplied by private suppliers. At present the incentive to produce and market such commodities has not taken hold.

- IX. What delivery systems did the project employ to transfer technology to intended beneficiaries?

The PL 480 Title II program works through the Ministry of Social Affairs' Nutrition Centers and through church-administered centers.

- X. What training techniques did the project use to develop the delivery system?

The training is provided by the Ministry of Social Affairs and is not a part of the PL 480 program.

- XI. What effect did the transferred technology have on those impacted by it?

PL 480 commodities provide a food supplement to the child's diet thereby improving the child's nutritional level and long-term prospects for good health. The nutrition classes offered in conjunction with food distribution can be used to better the eating habits of the entire family.

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ISN-31586

PROGRAM REVIEW: PL 480, TITLE II
CATHOLIC RELIEF SERVICES
KIGALI, RWANDA
APRIL 13-20 1982

ROBERT KIDD
ASSISTANT FOOD FOR PEACE OFFICER
REDSO/EA NAIROBI

R. Kidd
23 July 82

DISTRIBUTION:

AAC/RWANDA ✓
RIG/A
AID/W/FFP - TITLE II
CRS/RWANDA (2)
CRS/REGIONAL, NAIROBI (?)
REDSO/EA/FFP (2)

- A. **AUTHORITY:** This review may be used by the cooperating sponsor, Catholic Relief Services CRS/Rwanda and AID Affairs Office (AAO), Rwanda, to meet requirements of AID Reg. 11, Sec. 211.5 (c), Internal Reviews. This review was drafted by Assistant Food for Peace Officer, REDSO/EA, Nairobi, R. Kidd, at the invitation of AAO/R and CRS/R, 13-20 April 1982.
- B. **ON-SITE OBSERVATIONS**
1. CRS/R operates from an adequate rented office in Kigali, Rwanda. The counterpart agency is the Ministry of Social Affairs. CRS Acting Program Director is William McLaurin, B.P. 65, Kigali (Tel. 5740).
 2. Rwanda, a land-locked country of five (5) million people, depends on the port of Mombasa, Kenya, for shipments of PL 480 Title II commodities. For PL 480 purposes Mombasa port operations are monitored by REDSO/EA and CRS/Kenya. Commodity shipments are processed expeditiously through the port with minimal losses, and transported to Kigali (1,750 km.) by the clearing and forwarding agent, Transintra. The transport takes place reasonably expeditiously [transit time about ten (10) days] and with normal loss which is mostly due to package wear-and-tear.
- C. **ASSESSMENT OF CRS CAPABILITY**
1. The present level of CRS American and local staff, equipment, and transport facilities indicates that these factors are adequate to manage the Title II projects as currently programmed. CRS/R does acknowledge that it lacks field monitoring staff to follow with complete confidence all distributions to all recipients under each of its programmed activities. The CRS Operational Plan of 11 May 1981, provides a full and accurate outline of CRS activities in Rwanda (on file, AAO and CRS/Rwanda). This review recommends that CRS provide a full-time Program Director and a full-time Assistant Program Director.
 2. **Previous Reviews/ Audits.**
 - a. Last CRS Audit: December 1977. It is not appropriate to comment on this audit in this review.
 - b. Last RIG/A Audit: July 31, 1979 (3-696-79-14); seven recommendations, all closed.
 - c. Last joint "Internal Review": January 1980.

d. RIG/A conducted a pre-audit assessment of the PL 480 Title II program in Rwanda, February/March 1982. No formal recommendations or report have been received by LAO/R or CRS/R to date. Recommend RIG/A provide report of observations.

3. Operational Agreements/Understandings:

a. Country Agreement:

While the existing agreement between the National Catholic Welfare Conference and the Rwandan Office of Emergency Assistance, signed 22 October 1963, is outdated in several respects (e.g., names of signatories and emergency assistance aspects), it is still a viable working agreement. The CRS Acting Program Director points out that changing the agreement now could in all probability result in less favorable terms than now exist. REDSO/FFP supports this position and views any attempt to re-negotiate the agreement at this time as counterproductive. Should the opportunity to reopen negotiations present itself, the following issues should be introduced as negotiating points (1) shift from emergency justification; (2) more emphasis on government support; (3) arrangement for confiscation of diverted commodities; (4) arrangement for procedure to be followed in cases of unfit commodities; and (5) assurances that recipients will receive foods only for participation in AID/cooperating-sponsor approved projects. (Ref: H.B. 9, Ch. 6, 6E-2.)

b. Agreements Between CRS and Distribution Points:

CRS/R maintains approximately 400 individual contracts between CRS and the operational centers. These simple contracts outline the responsibilities of the centers in proper stockage, warehouse accountability, monthly stock/distribution reports, CRS/R control, indemnification of loss, right of inspection, non-discrimination, and avoidance of duplicated donations.

c. Contractual or Agreements Covering:

Survey of Cargo Discharge from Shippers: Independent discharge surveys are conducted by Toplis & Harding, Lloyd's Agent, Mombasa, after CRS notifies C&F agent, Transintra, that shipment is confirmed. Cost of discharge survey is paid by CRS/NY and reimbursed by USDA upon presentation of the bill. The appropriateness of survey report may be questioned--i.e., is it a discharge survey, or delivery survey? At any rate, survey requirements are being satisfied by all accounts to-date.

Duty Free Entry: Assured by Country Agreement of October 22, 1963. There have been no recent questions, issues, or problems on this aspect of PL 480 commodity shipments.

Right of CRS and/or AID to Examine Records: Assured by Country Agreement of October 22, 1963.

Right of CRS to Travel and Make Control Decisions: Assured by Country Agreement of October 22, 1963.

Confiscation by Police of Diverted Commodities: Such confiscation is not formalized in the Country Agreement. However, CRS reports that police/customs authorities aggressively pursue diversions and petty thefts, returning commodities, where possible, and inflicting punishment where proven. See comment under 3. a, recommending inclusion of this provision if a new agreement is negotiated. A former warehouseman has been found guilty under Rwandan laws of theft of PL 480 commodities and is currently serving a two-year sentence.

Payment of Food Distribution Costs: Under the Agreement of October 22, 1963, CRS is authorized to levy participant fees to cover operational costs. To date the host government is not obliged to provide CRS with any operational support. This also should be a negotiating point in the event a new agreement is to be considered.

Disposition of Unfit Commodities: H.B. 9 recommends that this issue be presented in a Country Agreement. Such a clause is not included in the October 22, 1963, Agreement. CRS, with REDSO/FA concurrence, does not wish to re-negotiate to include such a clause. Note that current CRS procedures adequately address requirements of AID Reg. 11, Sec. 111.8.

D. DISCUSSION OF AGENCY POLICY AND PROGRAM GUIDELINES AND THEIR IMPLEMENTATION

1. Eligibility of Recipients:

a. It is interesting to note that CRS/Rwanda has instituted nine (9) distinct categories of recipients (FY 82 AER), with number of centers:

Maternal Child Health - Mothers (15,000) - 15
Maternal Child Health - Children (49,550) - 87
Pre-school Feeding (2,000) - included in MCH
Other Child Feeding (3,000) - 24
School Lunch - Girls' Training (7,400)

Secondary School Feeding (12,000) - 81
Food-for Work (100) - 0
General Relief (11,400) - 42
School Feeding - Vocational (11,400) - 200

b. Agency Written Guidelines; Eligibility Criteria

Review of AID Reg. 11, H.B. 9, or Title II of PL 480 reveals little on establishment of eligibility criteria. It is quite possible that pragmatic criteria may be desirable from an audit and management point of view, but such criteria may be better left open. Arriving at anything but most simple basic norms and implementing them may be philosophically and administratively impossible. CRS/R has arrived at such basic criteria.

- MCH - Mothers: Pregnant and lactating mothers with a child up to six months; ability to pay.
- MCH Children: Children between the ages of six months and five years accompanied by mother, able to pay.
- Pre-school feeding (now included in MCH): Children up to five years old, age/weight index under 75% of standard on master chart for three months; attends clinic weekly. Same fee as MCH.
- Other Child Feeding: Orphanages where children with no means of support are boarded. Housing provided for three years maximum. Most centers are church run; GOR provides some support.
- Secondary School Feeding: Children in 12 to 18 age bracket attending GOR-recognized boarding schools, grades 8 to 12. Note that CRS coverage to this category is close to 100%. However, full coverage is not anticipated because GOR is expanding its projected school population. CRS questions these projections and is reluctant to initiate firm program plans based on possibly inflated projections.
- Girls' Training, Vocational Schools: Students in less scholastic oriented schools, ages 10 to 18, equivalent grades 6 to 12. GOR scholastic reform has targeted this sector for greatest expansion, projecting 33,000 students for FY 83, compared to 18,800 now being supported.
- General Relief: Homes for aged, handicapped, and mentally ill. Also covers work of Sisters of Charity.

2. Computation of Food Requirements:

Determination of AER Ration Level by Category

By and large ration levels are established by the voluntary agency's instructions to its field offices. These ration levels are also established in AID/W/FFP in conjunction with CRS/NY. The CRS Regional Office in Nairobi also agrees to ration levels. In any event the field's AER submissions are reviewed by its regional office in Nairobi, by the NY headquarters, and by AID/W prior to approval. Thus the open-ended guidelines are firmly closed by the AER review policy, and field posts have little or no control over actual levels imposed by CRS/NY and AID/W. CRS/Rwanda is satisfied that ration levels now imposed are adequate. CRS/R considers the vegoil ration of one kilo of vegoil in MCH category as economically and nutritionally essential for the project.

3. Physical Facilities and Equipment:

a. Port: CRS/Kigali must rely on Kenyan Port of Mombasa as the port of entry for all PL 480 Title II commodities. Both CRS/Kenya and REDSO/EA have responsibility for monitoring port operations. CRS/Kigali further relies on the well paid services of its C&F agent, Transintra, to clear commodities and deliver them to Kigali. CRS/Kigali is generally satisfied with Transintra's service. (Representative costs: Mombasa to Kigali, vegoil \$280/MT; milk, \$305/MT; rice \$250/MT.)

b. Warehousing in Kigali: Two warehouses, 800 MT each, are located on the grounds of St. Andreas College in Kigali. One smaller facility is used for the segregation and reconditioning of broken or leaking containers. As long as incoming commodities arrive on a regular quarterly call-forward schedule and distributions continue at the scheduled level, warehouse capacity is tight but comfortable at the annual 600 MT level. Control is maintained by CRS issuing dispatch orders on certified waybills. Running ledgers show day by day additions and subtractions to inventory. Physical inventories are recorded. The inventory on 12 April listed the following:

Rice (45 kg.)	1,692 bags
Vegoil (21 kg.)	10,139 cartons
Cornmeal (23 kg.)	20,400 bags
NFDM (27 kg.)	7,433 cartons
NFDM (23 kg.)	25 bags

(Estimated Total = 1,000 MT)

II. REVIEW OF CONTROLS AND INFORMATION SYSTEM (FLOW OF COMMODITIES FROM AER CONCEPTION TO DISTRIBUTION TO RECIPIENT)

1. USAID Annual Budget Submission and CDSS Program Considerations Related to CRS/PL 480 Needs:

AAO has generally accepted CRS/Rwanda programming concepts for forthcoming fiscal year and possibly five (5) years beyond. CRS/Rwanda has been consistently stable and predictable in formulating its programs. CRS/R has developed a thorough and detailed basic operational plan, with modest (10-20%) quantitative increases in the MCH category. No major program shifts are anticipated in FY 83. The CDSS (for FY 83) accepts the CRS activities as being consistent within the Mission's development strategy.

2. Basis for Submitting Annual Estimates of Requirements (AER):

The key to establishing the next year's requirements is performance during the current year, all of which is considered in the AID/W next year guideline instructions. CRS/R has received its FY 83 commodity/recipient levels. The FY 83 level of 110,200 recipients shows increases as follows: 1980 - 81,700; 1981 - 92,500; 1982 - 104,850. CRS/R is aware that major changes must be anticipated as far in advance as possible through its commitments (from less binding to more binding) as reported in CDSS, ABS, AER, and call-forwards. Thus AER requirements are a function of many elements: What AID/W can make available under Title II during any given FY; how AID/W and CRS/RY slice up this pie; what the field posts' track record has been in making effective use of the commodities; recognized limits to infinitely elastic needs; transport, warehouse, distribution facilities; climate; political stability; accepted per capita ration levels; and scheduling of sea vessels.

3. Basis for Submitting Call-forwards:

In general CRS/R will establish the fact that its operational plan remains valid; that recipient levels are, in fact, as anticipated, and finally, that its current AER remains reasonably accurate; particularly, that the number of recipients by category are receiving the authorized ration. This should be verified by regular recipient Status Reports, and Commodity Status Reports. Upon verification that the program is operating as planned, CRS/R will call-forward one-fourth of its AER, line 17 level, on its quarterly call-forward procedure which is endorsed by AAO/R. CRS/R must count on a five-month delivery time from the confirmation of its call-forward order, through ocean transit, and through inland transit

for delivery to Kigali. For FY 82, CRS/R has a good record in placing its call-forwards on a regular basis, so that upon receipt of the fourth-quarter call-forward, all commodities will have been received, i.e., 6,000 MT total shipped in four increments of 1,500 MT each.

4. Shipping Documentation:

CRS/NY mails CRS/R copies of B/L, CRS type of pro-forma invoice, C&F Agent's through way-bill, plus any health/phytosanitary certification. CRS/R then reports that documentation has been received in time. C&F Agent receives its documentation from its main office in Antwerp or New York.

5. Documentation and Procedures required for Securing Port Clearance for Shipments:

CRS/R relies entirely on the C&F agent to clear its commodities from ports.

6. Survey Reports and Filing of Claims for Ocean Loss:

Upon receipt of a CRS "Packing List", CRS/R will mail its copies of Toplis and Harding survey report, the CRS certification of receipt of foreign cargo, plus any other documentation relative to receipt of commodities (e.g., port out-turn report) to the CRS/NY office, where ocean loss claims are pursued between CRS, USDA, and the carrier. CRS/R is not responsible for pursuit of maritime losses. CRS/NY assumes this responsibility. CRS/R may, however, respond to USDA inquiries following up on details of maritime claims.

7. Control of Port Losses and Claims:

In that the Kenya Port Authority will not acknowledge any port losses, no known procedure has been established to either identify port losses or to file claims against port authority. It appears (in the case of Kenya, Rwanda and Burundi) that claims are either maritime or may be initiated only upon delivery to the C&F agent, where they become inland losses. (This issue will be pursued in an upcoming workshop in Mombasa in mid-June.)

8. Fumigation:

The Port of Mombasa is reported to require fumigation of all grain shipments originating in the U.S. This issue is to be pursued.

9. Control of Transport from Mombasa to Kigali, CRS Warehouse

Cargo is loaded on Transintra trucks. The truck's waybill indicates the count and condition of the cargo. Some reconditioning of torn bags and leaking cans of oil is attempted at Mombasa, and the damaged commodities, if any are noted on the waybill. Upon discharge in Kigali, receipt of commodities is acknowledged by the CRS warehouseman and driver with their condition and losses noted on the waybill. Since CRS/R accounts for commodities on the basis of individual P/L's, which may take several truck loads to complete, inland shipping losses are not claimed on individual truck loads but only upon the receipt of a complete P/L. Transintra has been responsive in paying for proven individual losses. In the case of leakage of oil or spillage from bags, they will not generally pay for commodity losses but will not charge for transport. This appears to be a manageable and reasonable approach to the inevitable shipping losses that occur on this long route and must be considered acceptable. Oil losses, for example, do not exceed 1% of initial waybill amount.

10. Control of CRS Warehouse, Kigali: (See D. 13. b.)

11. Control of Updated Food Requirements for Each Distribution Center:

MCH Centers: 87 child centers and 13 maternal clinics (soon to be integrated into same category) receive priority. Analysis of need is determined on a monthly basis. Other categories receive quarterly shipments. Control is uniform.

--Master list by category shows: location, beneficiaries, plus requirement determined by multiplying ration by recipients.

--Requirement is adjusted by inventory.

--Requirement less inventory is calculated and shipping instructions given to transporter and warehouse.

--Truck is loaded and waybill prepared.

--Delivery acknowledged at center, receipt of commodity with comments on loss/damage is acknowledged at center by responsible officer.

--Payment made to transporter at center.

12. Basis for and Frequency of Warehouse Dispatch Orders to Distribution Points:

MCH centers (102) receive commodities monthly because this is the priority project and cannot be allowed to run short of stocks. All other centers (347) receive commodities on a quarterly basis because such a frequency is administratively practical, and centers are geared to quarterly levels.

13. Control of Inland Loss During Transport from the Kigali Central Warehouse to Distribution Points:

Control is maintained by verified unit count upon loading at the Kigali warehouse and upon discharge at the delivery point. The transporter/driver are accountable for proven/acknowledged losses. Claim is issued against the transporter and usually recovered.

14. Control of Losses at Distributing Center Warehouse and Beyond:

If a distribution center reports a commodity loss due to unaccountable diversion or theft, CRS/R will file a claim, and the center will usually reimburse them for the loss.

15. Method of Disposal of Damaged Commodities:

(a) Upon receipt of torn or leaking containers, the commodities are immediately segregated from sound units. After reconditioning/repacking takes place, loss is noted and reconditioned containers are returned to stock for distribution. Presumably floor sweepings will result and will be disposed of as unfit.

(b) Upon receipt of suspicious or contaminated containers or upon discovery to the warehouse, these units are segregated.

(c) Suspicious units are inspected by a competent GOR authority, a veterinarian from Ministry of Agriculture. Certification indicates that the food is unfit for human consumption but either fit for animal food or unfit for human or animal consumption. If totally unfit, destruction is recommended. If the food is fit for animal food, disposition is recommended.

(d) Certification is sent to AAO/Rwanda for USAID authorization to dispose of the food by destruction or release as animal food.

Best Available Document

(e) CRS/R disposes accordingly. In the past, net proceeds have resulted, and CRS/R deposited such proceeds to Embassy account 20 FT 401. REDSO/FFP has suggested instituting a procedure whereby CRS/R will consider selling unfit commodities at cost on first-come, first-served basis with the intent not to realize any net proceeds but to meet recipient needs in disposal of the commodity.

(f) Procedure complies with AID Reg. 11, Sec. 211.8.

16. Claims Made for Inland Losses:

See comments under:

- E. 7: Control of port losses and claims
- E. 9: Control of transport from Mombasa to Kigali
- E.10: Control of Kigali warehouse inventory and loss
- E.13: Control-- Kigali to distribution points
- E.14: Control-- distribution points and beyond
- E.15: Control

17. Frequency and Form of End-use Checks and Inspections, Including Reports and Actions Taken:

With over 400 distribution points, CRS/R finds itself in the same company as most voting programs throughout East Africa. One or two monitors are simply not able to visit 400 centers with adequate frequency. Therefore, troubleshooting must begin where problems are identified. This usually surfaces in monthly reports or by word of mouth. Records of actual visits are maintained; and if appropriate corrective actions are not taken, CRS/R retains the right to cease deliveries to a center. CRS/R accepts its inadequate monitoring schedule; and is attempting to increase monitoring activities by utilizing Outreach funds.

18. Control and Utilization of Funds from Collections of Participant Fees and Proceeds from Container Sales, and Other Sources of Local Currency:

Participant Fees: At some point AID, CRS, and the auditors should determine the extent of control each agency has over the various CRS accounts. Collection and accounting for participant fees is an issue which should be further studied. The GAO apparently considers participant contributions as PL 480 related, and therefore auditable by AID Auditors. CRS considers participant contributions as strictly "in-house" accounts and not auditable by AID. There is no question as to the legitimacy of such collections (AID Reg. 11, 211.5 (1)); the question is of "control" and/or audit authority. The issue of control of participant fees becomes all the more

important in considering "self-sufficiency" of volag operations, i.e., who can pay for inland freight or operational costs if the USG and CRS cannot. The obvious source is participant fees, which are by policy encouraged. In the case of Rwanda, MCH centers have set a monthly fee of 75 RFRs. per ration. ($3.82 @ \$1 = 91.50$ RFRs.) This fee is generally well accepted by the recipients and the government; the payments go to the centers, and proceeds are used in support of the administrative costs of the centers. It is from this fund, in the case of MCH operations, that CRS recovers its three to five francs transport costs. This three to five Fr. transport cost is levied across the board, and all centers pay it. The current value of (the present MCH food basket is estimated at 250 RFR. (\$9.25). The minimum laborers' wage is 100 RFR. per day.

19. **Actions Taken to Avoid Sale or Trade of Commodities by Beneficiaries:**

Such sale or trade is prohibited by Clause 7 of the Agreement.

20. **End-use Reports Provided by Distribution Centers:**

Such monthly reports are required by Clause 5 of the CRS Contract.

21. **Basis for Preparing Commodity and Recipient Status Reports Required by AID Mission and AID/W (U.B. 9, Ch. 7, pp. 7-14):**

To clarify further this process. Country Program Director has explained that the CRS commodity reports are prepared on the basis of warehouse releases. To expect a compilation of distribution based on monthly reports completed by centers is too cumbersome and time consuming. MCH monthly commodity reports report an average of 55,000 children, but recipient reports show 40,000. This is the calculation of food released from warehouse divided by the ration. (Monthly reports filed by centers give accurate number of recipients and accurate amount of food consumed/given to recipients. Commodity reports show amount of food leaving the warehouse.)

MCH centers do not have regular transport schedules. Transport is done as required based on monthly reports. Centers are reluctant to distribute the full ration because of fear that stocks will not arrive on time. Attendance drops drastically when food is not available.

CRS is attempting to eliminate this by monthly revisions of stocks and by basing distribution lists on total number of families enrolled instead of average number of recipients.

22. Actions Taken to Ensure the Overall Distribution Levels are Within Approved AER Limits:

The key element in the control of distribution levels of both commodities and recipients lies in the required monthly inventory report received from the more than 400 distribution points. CRS/R reports that these submissions are received in such a manner as to give an accurate status. Thus, if the accuracy and frequency of these reports is acceptable, then the CRS Commodity Status Reports, Recipient Status Reports, and Loss Reports should be accurate. During the first quarter of 1982 reporting period, recipient levels in the MCH program were considerably short of AER levels--36,500 actual vs. 60,000 AER. CRS/R is certain that projected levels will be achieved. Second quarter recipient levels are reported at 63,000.

23. Coordination of Use of Title II Commodities with Foods Provided by Other Donor Agencies:

Programs of other donors, chiefly Seventh-Day Adventists World Service (SAWS) and World Food Program, are such that distributions are complementary but not duplicative. SAWS distributes only to primary school feeding programs, and WFP is involved only in Food for Work Programs.

F. EVALUATION OF "OUTREACH" AID/SOD/PDC-G-0292 SUMMARY

Two-year, two-month grant, September 30, 1979 to December 31, 1981.

Original Grant -	\$80,000	accepted by CRS Oct. 12, 1979
First Amendment +	\$34,000	accepted by CRS Oct. 12, 1979
Second Amendment -	?	
Third Amendment -	?	
Final Total	\$131,472	

Grant terminated December 31, 1981. Unexpended balance, approximately \$6,000 returned to CRS/NY; to be returned to AID/W. CRS/R reports that a final report has gone to CRS/NY. Upon CRS/NY clearance, the report may be made available to AID.

Purpose: To expand the CRS/Rwanda program in two high priority categories, Maternal Child Health (MCH) and school feeding, and to reach the most vulnerable and poorest groups in these categories with an effective food and nutrition program.

Specific Objectives: CRS proposed increasing their program coverage of pregnant and lactating mothers, children of pre-school age, and school age children by twenty percent over the life of this grant. This represents 15,000 people in the most vulnerable categories.

Implementation: By purchasing a Volkswagen, providing operational support, building a warehouse, and renovating another, constructing pallets, and hiring an end-use checker, the above purpose/objectives can be objectively shown to have been achieved by the following indicators:

1. Approved AER Recipient Levels	<u>FY 80</u>	<u>FY 81</u>	<u>FY 82</u>
MCH - Mothers	7,000	10,000	15,000
MCH - Children	36,000	45,000	49,000
Pre-school	---	2,000	2,000
Other Children	2,300	3,000	3,000
School Feeding - Girls Trng.	---	8,500	7,400
Secondary School Feeding	14,500	10,000	12,000
Food-for-work (discontinued)	100	100	100
General Market	3,800	4,400	4,400
School Feeding - Vocational	<u>18,000</u>	<u>9,500</u>	<u>11,400</u>
TOTAL	<u>81,700</u>	<u>92,500</u>	<u>104,800</u>

- 2 In addition to the abstract projected increases indicated in AER calculations, CRS/R can verify actual increases in the MCH project as follows:

Average monthly attendance during first quarter of FY 80 (i.e., October, November, December 1979) was 40,000 participants.

Average monthly attendance during the second quarter, FY 82 was 63,000 or a 57% increase in only MCH alone.

Services were extended to the most vulnerable and poorest groups in these categories. CRS nutrition statistics in Rwanda, after an accumulation of two years, indicate that 35% of children five years and under are below the CRS norm on the Harvard scale, weight for age. Over-all coverage of MCH benefits are now extremely limited. CRS/R estimates that only about 5% coverage is possible. (e.g., population is

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5 million--20% of which is five years and under or 1 million; CRS is now covering 50,000.) Thus, any increase in centers now established will intrinsically touch the most vulnerable recipients.

G. RECOMMENDATIONS:

1. This review indicates that CRS has made effective use of the funds granted under Outreach AID/SOD/PDC-G-0292, and the objectives were attained. This grant was terminated December 31, 1981. In addition CRS/R is operating the Rwanda PL 480 Title II program under prudent management concepts and in keeping with operating Guidelines, Handbook 9, AID Reg. 11. CRS/Rwanda has applied for another Outreach grant to enable it to sustain its operations in Rwanda under the same quantitative and qualitative standards evidenced in this review. Both AAO/R and REDSO/FFP endorse the CRS/R application for continued Outreach support and urge favorable consideration for authorization in FY 82.
2. REDSO/EA/FFP, Contract Officers, or AID/W Grant Officer clarify CRS responsibilities to disposition of property procured under AID/SOD/PDC-G-0292. Instructions to CRS indicate CRS falls under Cooperating Country (Article 12. c of Standard Provisions). It would appear the CRS/R is a grantee, under 12. a. In which case disposition responsibilities are still not clear because reference regulation cannot be found.
3. The Cooperating Sponsor should consider updating its basic "umbrella" agreement with the Government of Rwanda. However, REDSO/FFP would not recommend such an updating if it involved negotiation of issues which might result in operational accords that are less favorable than the existing ones. The present agreement plus other working arrangements, permit CRS to carry out a PL 480 Title II program within the mandate of AID Reg. 11.
4. AAO/Rwanda with REDSO/FFP should continue to provide follow-up to assure that AID responsibilities to monitor PL 480 cooperating sponsors' programs in accordance with guidelines, Handbook 9, and requirements of AID Reg. 11, are implemented. Key elements are:
 - a. Consideration of volag programs in over-all mission development strategy (CDSS, ABS);
 - b. Approval of annual or amended operational plan and AER;
 - c. Cabled approval of quarterly call-forwards, with comments on the host country's ability to receive and store PL 480 commodities and that such commodities are not a

(disincentive to production (Bellmon);

- d. Appropriate follow-up on inland reports of loss damages or misuse of PL 480 commodities (i.e., "claims");
 - e. Appropriate over-sight of disposition of unfit commodities; and
 - f. Forward one copy of CRS Quarterly Commodity, Recipient, Loss Status reports to AID/W, FFP/II, Washington, D.C.
5. CRS/R should review its direct oversight responsibilities to the PL 480/II program to strengthen its control of commodity distributions and to assure the accuracy of its extensive and detailed reporting systems.
6. Given the level of recipients/commodities and range of individual categories involved in the CRS Rwanda program, the activities deserve the attention of an experienced country program director, plus a senior assistant well versed in CRS and AID programming systems. This review recommends that a director, plus an assistant program director be assigned to CRS/Kigali as soon as possible.