

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON DC 20523

970-4062 / 81

CERTIFIED A TRUE COPY THIS  
10 DAY OF Sept  
BY L. Byram

PL-77-11119

4062  
JUL 17 1980

Dr. John W. Meller  
Director  
International Food Policy Research  
Institute (IFPRI)  
1776 Massachusetts Ave., N.W.  
Washington, D.C. 20036

Amendment No. 1  
Subject: Grant AID/DSAN-G-0229  
Technical Office: DS/AGR/R

Dear Dr. Meller:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development hereby amends the subject grant, effective as of the date of this letter, to add the sum of Fifty Thousand Dollars (\$50,000).

A. Cover Letter, paragraph 1

Delete "Five Hundred Thousand Dollars (\$500,000)" and insert in lieu thereof "Five Hundred and Fifty Thousand Dollars (\$550,000)."

B. Attachment B. Proposed Budget and Anticipated Funds for IFPRI  
CY 1980

Delete "Sources of Funds" in its entirety and insert in lieu thereof:

Sources of Funds

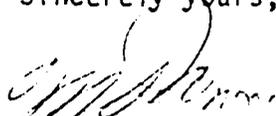
1. United States (AID)	\$ 550,000
2. Australia, Germany	222,000
3. EEC, IDRC, OPEC, World Bank	1,478,000
4. Others	310,000
Total Sources	\$2,560,000

Except as expressly amended, the Grant remains in full force and effect in accordance with its terms and conditions.

Page 2 - Dr. John W. Meller

Please sign the original and nine (9) copies of this amendment, and return the original and eight (8) copies to the undersigned.

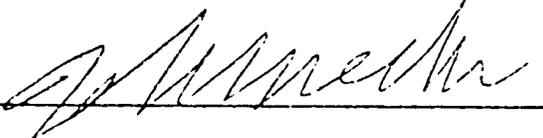
Sincerely yours,



Morton Darwin  
Grant Officer  
Agriculture/Nutrition Branch  
Central Operations Division  
Office of Contract Management

ACCEPTED

INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE

BY: 

TITLE: Director

DATE: July 30, 1980

Fiscal Data

Project No.: 936-4062  
PIO/T No.: 3606369 A-1  
Appropriation No.: 72-1101021.3  
Allotment No.: 043-36-099-20-01

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON D C 20523

*Handwritten initials and date:*  
4/10/80  
4/16/80

Dr. John W. Mellor  
Director  
International Food Policy Research  
Institute (IFPRI)  
1776 Massachusetts Avenue, N. W.  
Washington, D. C. 20036

MAY 14 1980

CERTIFIED A TRUE COPY THIS  
12 DAY OF June  
BY W. Bursch

Subject: Grant AID/DSAN-C-0229  
Cognizant Technical Office:  
DS/AGR/R

Dear Dr. Mellor:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "AID" and/or "The Grantor") hereby grant to the International Food policy Research Institute (hereinafter referred to as "IFPRI" and/or "The Grantee") the sum of Five Hundred Thousand Dollars (\$500,000) in support of IFPRI's program for Calendar Year 1980. These funds are to be used in support of IFPRI's mandate to identify and analyze alternative national and international strategies and policies for meeting food needs in the world.

The funds contributed under this grant, along with contributions from other donors will enable IFPRI to support their program which is described in Attachment A entitled "Program Description."

The grant is effective as of January 1, 1980 and shall continue in effect through December 31, 1980. Funds granted hereunder shall be used exclusively in support of IFPRI's core budget which is set forth as part of the total Calendar Year operating budget, attached hereto and made a part hereof.

This grant is made on condition that IFPRI shall carry out the activities as are more fully described in the Program Description (Attachment A), and shall administer the funds in accordance with the budget (Attachment B) and the terms and conditions hereof (Attachment C). Payment shall be in accordance with Attachment D entitled "Payment Provisions."

Please indicate your acceptance of this Grant by signing the original and seven (7) copies of this letter and return the original and six (6) copies to the Grant Officer.

Sincerely yours,



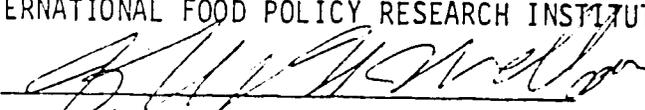
Morton Darwin  
Grant Officer  
Agriculture/Nutrition Branch  
Central Operations Division  
Office of Contract Management

ATTACHMENT

- A. Program Description
- B. Budget
- C. Terms and Conditions
- D. Payment Provisions

ACCEPTED

INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE (IFPRI)

BY: 

TITLE: DIRECTOR

DATE: 30 MAY 1980

FISCAL DATA

Project No.: 931-4062.11  
PIO/T No.: 3606369  
Appropriation No.: 72-11-1-21.3  
Allotment No.: 043-36-099-00-20-01  
Amount Obligated: \$500,000

PROGRAM DESCRIPTION

SUMMARY OF PROPOSED ACTIVITIES 1980

A. PURPOSE OF CENTER

The International Food Policy Research Institute was established to identify and analyze alternative national and international strategies and policies for meeting food needs in the world, with particular emphasis on low-income countries and on the poorer groups in those countries. While the research effort is geared to the precise objective of contributing to the reduction of hunger and malnutrition, the factors involved are many and wide-ranging, requiring analysis of underlying processes and extending beyond a narrowly defined food sector. IFPRI's research program is to reflect worldwide interaction with policymakers, administrators, and others concerned with increasing food production and with improving the equity of its distribution.

B. OBJECTIVES OF MAJOR CORE RESEARCH PROGRAMS

IFPRI's research effort is conducted under four program heads: production, consumption and distribution, trade, and trends and statistics. Although the research is divided into these four categories for administrative convenience, there is a great deal of operational interaction and collaboration between researchers in the different programs and there are several interdisciplinary projects, cutting across program boundaries.

i Trends and Statistics

Research efforts are mainly oriented to defining the magnitude and components of the current and future food problem in the developing countries thereby providing general indicators for needed actions and research on food policies in these countries. Studies center on analyzing historical trends of food production and consumption in developing economies and on deriving trend-based projections of their future food needs. IFPRI attempts to identify the critical areas where food problems are likely to occur, indicate the possible size of future food gaps in these areas, and analyze the general policy implications of such gaps in order to focus attention on the problems and, hopefully, to help generate national and international action for their solution. The output of the program also provides the other IFPRI research programs with a trend-based scenario of the food problem in developing nations that can help identify needs on specific food policy issues.

ii Production

The research priorities of the Production Program fall in the areas of production strategy, specific production and investment policies, and linkages involved in the growth process, especially in rural development-led strategy of growth. Work in the production strategy area deals with the trade-offs involved in the development of scarce resources, with the object of identifying optimal production strategies; while the research on specific production policies focusses on a few key inputs including agricultural research, irrigation investment, and fertilizer use. These are crucial for bringing about resource-augmenting shifts in production functions to relieve existing physical resource constraints and have probably received insufficient attention in the work of the other institutes of the CGIAR system, which are largely oriented to the biological sciences.

The approach in the production strategy area has been to undertake country case studies to identify the possible conflicts between the objectives of growth and equity in agriculture and ways of minimizing such conflicts and to examine the impact of growth, especially new technology-based growth, on the variance of agricultural output. Added to this in 1980 will be a study of farming systems in West Africa which will identify the principal constraints to the improvement of farming systems through the incorporation of available new technology.

The research dealing with linkages explores the relationships between agriculture and nonagriculture in the process of growth, and more important, the income/employment implications of the demand-induced effects of agricultural growth. Particular importance is given to the effects of increases in labor intensive commodity production on expanding the incomes of the poor, which in turn expands their demand for foodgrains, since it may be difficult to sustain high rates of foodgrain output growth without such increased demand. Work on the linkage effect of agricultural growth will be intensified in 1980 and will constitute one of the major thrusts of the Production Program.

The first phase of IFPRI's work in the area of production and investment comprised a major study published as Research Report 10, Investment and Input Requirements for Accelerated Food Production in Low-Income Countries by 1980, which showed that to achieve the average annual growth rate of nearly 4% in food production required to prevent a serious deterioration of per capita food availability by 1990 will require a massive increase in direct investment in the agricultural sector as well as a major parallel investment in indirect support for rural infrastructure development.

The work in the area of specific production policies has been mainly concerned with agricultural research and water use. Work in agricultural research resulted in a study undertaken for the TAC on the criteria to guide priorities in the allocation of resources to international research. Subsequent to the broader study of investment requirements referred to above, in which irrigation represents much the largest component of capital expenditures, attention is being focused on national

policies for irrigation and improvement of efficiency in water use in the ASEAN countries as part of the study on rice policy in Asia which is a collaborative special project between IFPRI, IFDC, and IRRI. Added to this work is a study of the forces governing the growth of fertilizer use in developing countries. Work on fertilizer is conducted in close accordance with the International Fertilizer Development Centre.

#### iii Food Consumption and Distribution

The Food Consumption and Distribution Program is concerned with identifying and analyzing policies and factors that affect food consumption and nutrition, with special reference to the food deficient groups of society and how to increase their effective demand for food.

The studies taken together provide valuable information on who benefits from the public distribution system and at what cost, the nature of interaction between the public and market distribution system, and what feasible options are available to meet the food needs of the rural poor. They also provide an analytical framework that could be very useful in the management of the foodgrain system of these and other low-income countries.

Focus for 1980 will be in two areas. Cost effectiveness of food subsidy and nutrition programs will extend the South Asia work by reviewing knowledge of the operation of related schemes elsewhere, by expanding coverage to incorporate targeted food programs, and by measuring the relative distribution of benefits and costs involved in operating broad-based and more narrowly targeted programs. The second area of analysis is on the impact of price policies on income distribution and food consumption patterns in four Southeast Asian countries. This study, which looks into the relation between food prices and wage and employment levels in rural and urban areas, is an important missing link in our capacity to analyze the impact of policy changes on income distribution and consumption. Institute-based research for both of these projects is funded by core budget; field work will be funded by special project funding.

Finally, work will be done on the development of methodologies for deriving the demand parameters necessary for evaluating consumption impacts of policies and programs, the evaluation of the income distribution impact of new agricultural technologies and the evaluation of food for works programs to be undertaken in cooperation with the Trade Program.

#### iv Trade

The Trade Program has two major organizational areas of concern international policy issues and how they interface with food policy in less developed countries, and domestic trade policy analysis. Research in these areas is approached from two basic premises. One is that in most LDCs, trade policies realistically cannot be separated from their more general food and agricultural strategies. The second premise is that the conditions faced by developing countries on the world market, including foreign aid and financial facilities, to an important degree determine the options they face concerning their domestic agricultural strategy.

The area of international policy issues research at IFPRI falls under three broad topics : food security for food deficit LDCs, agricultural export potential of LDCs, and food aid.

A study was undertaken at FAO's request on "Trade Liberalization in Agricultural Commodities in the OECD and the Potential Benefits to Developing Countries" which concluded that liberalization would result in a three billion dollar increase in LDC export earnings. The study analyzes the geographic distribution of these benefits and identifies the products with significant potentials for each region.

In the food aid area, the Trade Program is working on assessing food aid requirements for low-income, food deficit countries in collaboration with the Trends and Statistics Program, and a related study on closing the food gap with commercial imports.

As part of the domestic trade policy, analysis in the area of food security the Trade Program is working on two projects.

- Approaches to short-run supply management to measure how far consumption of rice in Southeast Asian countries can be insured through trade policies and changes in stocks. This effort is to be supported partly from core funds, with field work and country collaborative research funded as a special project.
- A special project funded by USAID and USDA on a regional scheme for food security for the Sahel, the aim of which is to provide a comprehensive evaluation of costs and benefits of a set of policies - trade, storage, and food insurance - to reduce consumption instability in that region.

Additional emphasis will be given to domestic trade policy analysis in 1980. The principal project will be on food security, self sufficiency and foreign trade: magnitudes, policy options and implications for food importing LDCs. This will involve development of an analytical framework that permits the ramifications of alternative adjustment policies to be explored.

#### V Communications Services

The Communications Services are charged with transmitting the results of IFPRI's work to possible users. At present, this responsibility is met via three channels: publications; conferences, seminars, and workshops; and the headquarters library.

Publications consist of Research Reports, "other publications" comprised of papers and reprints of important articles authored by IFPRI researchers, a newsletter entitled IFPRI Report, and an Annual Report. The Service edits and supervises the printing and distribution of all these publications, which are sent out free of charge. Research Reports and "other publications" are sent worldwide to some 3,700 individuals, government officials, national research agencies, universities, and international organizations concerned with food and agricultural development. The four-monthly newsletter (IFPRI Report), a recent addition to the publication list that reviews the work completed during the period under review and summarizes the work expected to be completed in the ensuing period, is mailed to a larger list of people and institutions concerned with development.

During 1980 IFPRI will publish and distribute at least 12 Research Reports, four "other publications", an Annual Report, and three newsletters (IFPRI Report). Currently under consideration is the production and distribution of an abstract of each Research Report, emphasizing the policy implications. These abstracts would be sent to all who now receive copies of the Research Report and to a wider audience consisting of those who might be more inclined to read an abstract than a longer, more technical report.

As the research output expands, the Institute will place increasing emphasis on conferences, seminars, and workshops, both at IFPRI headquarters and at appropriate outside locations. A conference on economic analysis of food policy and agricultural development is planned for summer 1980, in conjunction with FAO's Regional Office in Chile.

It is hoped that a total of 15 seminars will be held in 1980, including at least one in Asia or Africa. Increased funds should make it possible to invite more professionals from other countries than has previously been the case.

At least one workshop will also be organized and held during the last quarter of that year. All workshops are to be planned in such a fashion as to be readily repeated either at their original site or in different locations in the world.

A meeting of the economists and social scientists of the other International Centres is planned at IFPRI in the latter part of 1980. The purposes of this will be to exchange information on the respective programs of IFPRI and other centers, to discuss the implications of their findings, to identify further priority areas for research in social sciences, and to explore possible collaboration and complementarities between IFPRI, the other centers, and national systems.

### C. TRAINING PROGRAMS

IFPRI emphasizes training through participation in research and research internships, rather than formal training courses. More than half of its core staff is from Third World countries, and most staff members have contracts of between two and five years. Thus there is a constant interchange of ideas and experiences on development problems among its staff, and a return flow to their countries of people trained in policy analysis who have worked as part of a multi-disciplinary, multi-national research staff. The Institute's research assistants also come from a wide range of national backgrounds, and in several cases it has been possible to arrange formal training for a higher degree for promising students after a period of work at IFPRI.

In addition, and to an increasing extent, collaborative programs are being established with national institutions in developing countries, with IFPRI's core staff playing a catalytic and coordinating role, and national staff supported by special funding. The Rice Policies in Southeast Asia; and Food Subsidies and Nutrition Projects are examples. Over time such programs are likely to be the main instrument through which IFPRI helps to build national capabilities for agricultural policy analysis, as well as providing a significant feed-in to its core research activities.

D. CORE-FUNDED OUTREACH ACTIVITIES

IFPRI has at present two main off-campus research activities. These are the Rice Policies in Southeast Asia project, being conducted in collaboration with national researchers from the four ASEAN countries in Indonesia, Malaysia, the Philippines and Thailand; and the Food Subsidies and Nutrition Project, to be conducted in collaboration with researchers from Colombia, the Philippines and Zambia. IFPRI supports the supervisor/senior researcher for both of these projects from its core funds plus part of research assistant and secretarial time as well as certain Central Services, such as computer facilities and administrative support.

Proposed Budget and Anticipated  
Sources of Funds for IFPRI  
CY 1980

Budget

1. Research		\$1,471,000
2. Conference and Training		20,000
3. Library and Communication Services		362,000
4. General Administration		411,000
5. General Operation		216,000
	Total Core Budget	<u>\$2,480,000</u>
6. Capital Expenses		30,000
	Total Budget	<u>\$2,510,000</u>

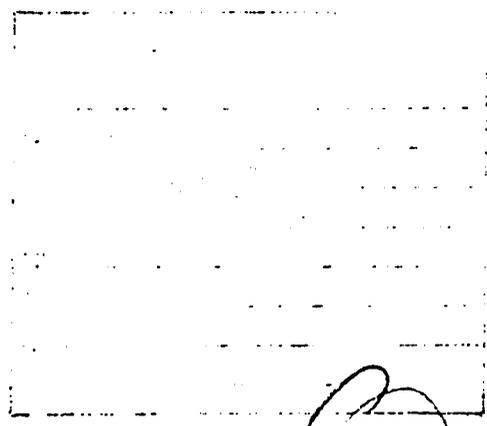
Sources of Funds

1. United States (A.I.D.)		\$500,000
2. Australia, Germany		222,000
3. EEC, IDRC, OPEC, World Bank		1,478,000
4. Others		310,000
	Total Sources	<u>\$2,510,000</u>

Any change in other sources of funds will in no way affect the AID contribution. None of AID's contribution may be used for capital expenses.

936-4062

7



*agf*

Dr. John W. Meller  
Director  
International Food Policy  
Research Institute (IFPRI)  
1776 Massachusetts Ave., N.W.  
Washington, D.C. 20036

Subject: Grant: DAN-4062-G-1009-00  
Technical Office: DS/AGR/R

Dear Dr. Meller:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Government of the United States of America acting through the Agency for International Development (hereinafter referred to as AID) hereby grants to the International Food Policy Research Institute (hereinafter referred to as the Grantee or IFPRI) the sum of Eight Hundred Thousand United States Dollars (\$800,000) to be used for support of IFPRI's program for the Calendar Year 1981, as more fully described in Attachment A.

This Grant is effective as of January 1, 1981 and is applicable to commitments made by the Grantee in support of the program during the period January 1, 1981 through December 31, 1981. Funds disbursed by AID but uncommitted by the Grantee at the expiration of this period shall be refunded to AID.

It is understood that financial records, including documentation to support entries on accounting records and to substantiate charges against this Grant shall be maintained in accordance with the Grantee's usual accounting procedures, which shall follow generally accepted accounting practices. All such financial records shall be maintained for at least 3 years after final disbursement of funds under this Grant.

The Grantee confirms that this program will be subject to an independent audit by the Grantee's outside certified or chartered public accountant and agrees to furnish copies of these audit reports to AID along with such other related information as may be requested by AID with respect to questions arising from the audit report.

It is understood that the funds granted hereunder shall be disbursed as set forth in Attachment B hereto entitled Payment Provisions.

CERTIFIED A TRUE COPY THIS  
10 DAY OF March  
BY *APK/...*

FRLC 72-00-1227  
increased from 1200000

The parties agree that this grant and the activities financed therewith, shall be managed by the Grantee in accordance with its established policies and procedures. The proposed budget for this Grant (indicating other donors) is provided in Attachment C.

If the use of the Grant funds results in the accrual of interest to the Grantee or to any other person to whom this Grantee makes such funds available in carrying out the purposes of this Grant, the Grantee shall refund to AID any amount of interest earned.

The Grantee shall prepare and submit to AID at least annually copies of reports in accordance with the schedule set forth in Attachment D.

This agreement, in whole or in part, may be terminated by either party at any time upon 30 days written notice. This agreement may be revised only by the written mutual consent of the parties hereto.

Please indicate your acceptance of this Grant by signing the original and six (6) copies of this letter in the space provided below and return the original and four (4) copies to the Grant Officer. Two copies may be retained for your files.

The AID Technical Office responsible for monitoring this Grant is the Office of Agriculture, Development Support Bureau (DS/AGR/R).

THE UNITED STATES OF AMERICA

BY: Ronald N. Lake

TITLE: (Acting) Grant Officer

DATE: JAN 27 1981

Attachments:

- A. Purpose and Implementation Plan
- B. Payment Provisions
- C. Budget
- D. Reporting Requirements
- E. Terms and Conditions

ACCEPTED:

INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE

BY: Sami K. Suleiman

TITLE: Financial Officer

DATE: Feb. 9th, 1981

Attachment A  
**INTERNATIONAL  
FOOD  
POLICY  
RESEARCH  
INSTITUTE**

1776 Massachusetts Avenue, N.W.  
Washington, D.C. 20036 U.S.A.  
(202) 862-5600  
Cable: IFPRI

SUMMARY OF PROPOSED ACTIVITIES 1981

A. PURPOSE OF CENTER

The International Food Policy Research Institute was established to identify and analyze alternative national and international strategies and policies for meeting food needs in the world, with particular emphasis on low-income countries and on the poorer groups in those countries. While the research effort is geared to the precise objective of contributing to the reduction of hunger and malnutrition, the factors involved are many and wide-ranging, requiring analysis of underlying processes and extending beyond a narrowly defined food sector. IFPRI's research program is to reflect worldwide interaction with policymakers, administrators, and others concerned with increasing food production and with improving the equity of its distribution.

B. MAIN PROGRAM OBJECTIVES

IFPRI's research effort is conducted under four program heads: production, consumption and distribution, trade, and trends and statistics. Although the research is divided into these four categories for administrative convenience, there is a great deal of operational interaction and collaboration between researchers in the different programs and there are several interdisciplinary projects, cutting across program boundaries. The allocation of resources to programs is shown in Appendix Tables 1 and 2.

i. Trends and Statistics

Analysis of the food gap in developing countries, the central project of the Trends and Statistics Program is comprised of a number of complementary sub-projects or activities that support the continuing development and improvement of IFPRI's periodic assessment of the future food situation in developing countries. Compared with the 1977 assessment, a new assessment under preparation extends the time horizon from 1990 to 2000, expands the non-cereal coverage to all developing countries and widens the commodity coverage of the analysis to include plantains and bananas and, on a phased-study basis, livestock and livestock products. The analysis on livestock and livestock production is aimed to link with and, subsequently, improve the projections of feed requirements. The country coverage of the study is also being significantly widened to include the People's Republic of China (PRC) and other Asian centrally planned economies, plus a number of African developing countries which were excluded in earlier IFPRI assessments because of data limitations.

Work on a "facts book" has begun with compilation of selected world food and related statistics for internal reference use. Food and policy-related data are being organized around IFPRI's policy research thrusts and will be shown on a country basis mostly as trends, relationships, and indicators. The effort is to be extended to assembling other more detailed statistics for selected regional groupings of developing countries. While the emphasis of the facts book is on food and especially on the staple food crops, it will include also population, economic and other agricultural statistics.

The trends in food and agricultural production in the 20 developing countries which lead in the output of major staple food crops are to be studied in depth in 1981/82. Although self-sufficiency in food has been generally pursued as a major development goal, many developing countries have continued to depend on the output of nonfood crops as the principal source of foreign exchange earnings to finance food imports and other development needs. The study will provide an overview of the changes that have occurred in the production of food crops in relation to those of nonfood crops in these countries; it will also attempt to relate the growth in output of the crop groups and of agriculture as a whole to the changes in resource use, new inputs and technology and agricultural investment. This will provide a base on which subsequent studies of the crop sector in other countries or regional and country groupings can be pursued.

To provide a broader basis for examining the demand for food and feed, a project is envisaged for studying the derived demand for concentrate feeds, which would eventually extend the food gap analysis into the high protein meal commodities. It will initially focus on soybean, which is the most important component in the oilmeal commodity group. As experience is gained in handling this commodity, other related commodities will be added to the analysis.

Research in the North Africa and Middle East region is expected to be in full swing in 1981. It will constitute an in-depth analysis of the trends of food production and consumption in selected countries of the region where very rapid changes in income and labor transfers are occurring. The analysis will have a regional perspective, which will facilitate the examination of inter-regional trade flows. In analyzing the food gap, it will identify the policy issues of food security which are of regional importance.

ii. Production Policy

The research priorities of the Production Program fall in the areas of production strategy, specific production and investment policies, and linkages involved in the growth process, especially in a rural development-led strategy of growth.

In the area of production strategy, IFPRI initiated in 1980 a study of farming systems in West Africa. This study will identify the principal constraints to the improvement of farming systems in West Africa through the incorporation of available new technology. The latter involves the keeping of livestock as a source of traction power, manure, and cash income. Successful

policies for improving farming systems through sedentary stockraising will depend to a large degree upon the trade-offs between cash crops, foodcrops, and livestock at the farm level. Correct specifications of these linkages is vital for understanding the implications of new technology for farm production strategies and regional output and for identifying the key constraints that must be overcome to encourage smallholder production of a specific commodity, as well as the appropriate direction for policies designed to increase rural incomes. This will be a major effort in 1981.

The work in the area of specific production policies has been mainly concerned with agricultural research and water and fertilizer use as the main factors contributing to increased productivity in agriculture. Work on international research priorities and planning is being extended in 1981 to the development of criteria for national systems. Subsequent to IFPRI's broad study of investment requirements for accelerating food production (Research Report No. 10) in which irrigation represents much the largest component of capital expenditures, attention is also being focused on national policies for irrigation and the improvement of efficiency in water use in the ASEAN countries as part of the study on rice policy in Asia described later under collaborative projects. In its ongoing study of the forces governing growth of fertilizer use in developing countries, IFPRI has developed a conceptual framework which interprets the process of growth in fertilizer use by taking into account the development and functioning of the entire fertilizer system against the background of the agro-economic potential for fertilizer use. The underlying idea is that under real world conditions, the pace and pattern of growth in fertilizer use are influenced by interactions among different elements of the entire fertilizer system. Hence, public policies should be based on comprehensive rather than fragmentary understanding of what governs the growth of fertilizer use. This study, initially using data derived from Asian countries, is being extended to Africa, and is expected to be completed in 1981.

A further outcome of the investment study of 36 low-income countries referred to above was a realization that there is an important gap in knowledge of current and projected levels of national expenditure on agricultural development. IFPRI has therefore commenced a preliminary study of methodology for analyzing national budgets based on data collected from the nine South American countries. It is planned to extend this work in 1981 to selected African and Asian countries.

From its very nature, the study of growth linkages has to be based on country case studies. One effort in this area of studying the interactions between agriculture and the rest of the economy in the process of growth has led to the publication during 1979 of a research report entitled Inter-Sector Factor Mobility and Agricultural Growth. The author of this study built a model to illuminate the Japanese experience pertaining to the development of agriculture and the overall economy. This model will be used to bring out the implications of the various policies pursued in Argentina which had a bearing on its agricultural development. The possibilities of using the model to study the Mexican experience are also being explored.

Another effort has resulted in the preparation of a preliminary version of a research paper on agricultural performance and industrial growth in India. This paper, currently under revision, is a study of the various linkages involved between agricultural and industrial growth and is focused on the question of what impact a given increase in agricultural growth could have on overall economic growth. Work on growth linkages in India and Bangladesh is to be continued through 1981.

Another important area of research which is being taken up in the context of the Production Policy Program for the coming years is Risk Management. The problem of weather and price-related risks in agriculture is so important that it is intended to undertake a study of specific risk-management policies with a view to assessing their possibilities for expanding agricultural production in the developing countries.

### iii. Food Consumption and Distribution Program

Work done previously at IFPRI has shown that if past trends of food production, income and employment growth continue into the future, food consumption will continue to grow slowly and the number of households with substandard food intake will actually increase over the coming decade. Even if food production can be accelerated, consumption will not automatically keep pace where there are large pockets of poverty and unemployment. It is therefore necessary to devise viable and efficient programs to alleviate the problem in the short run.

Work has therefore been started on a project comparing the costs and benefits of alternative targeted and broad-based types of programs that involve food (and income) subsidies or transfers. The first phase of this project which is being conducted in collaboration with FAO and several national research agencies began in 1979 with a review of what is known about the causes of malnutrition. Work has commenced with national research centers in Zambia, the Philippines and Bangladesh to begin data collection and analysis for Phase II of the project. In 1981 the emphasis will shift to the Phase II work involving empirical field studies of programs in three countries.

Work on the interaction between economic growth, urbanization, and food consumption now underway as part of IFPRI's Asian Rice Policy Project, will be continued and extended in 1981. The main focus of this research will be on the impact of shifts in demand and supply in the food sector on income distribution, employment and real wages. One aspect of this research will examine the impact of past introduction of modern agricultural technology for selected key crops on income distribution and consumption patterns in selected regions, while a related study will examine how the structure of rural and urban labor markets and related institutions affect the impact of policy changes on wages and labor income in four Southeast Asian countries.

Other work planned will deal with: relations between land tenure, labor force participation and food consumption, with special reference to production and consumption of low-cost sources of calories such as corn, cassava and coarse grains; reciprocal relationships between work effort, food and productivity in subsistence agriculture; and the development of improved methods for designing food sector strategies; and the relationship between food consumption pattern and intra-household variables.

iv. Trade Program

The Trade Program is organized around two major areas: the first is international policy issues and their interface with food policy in LDCs, and the second is trade and food strategies in the LDCs themselves.

The area of international policy issues research at IFPRI falls under three broad topics: food security for food deficit LDCs, agricultural export potential of LDCs, and food aid.

The work of the Trade Program in this area in 1981 will represent a continuation of current efforts to present independent and well-documented research, identifying problems and examining specific policy choices in relation to the concern about food security, the interest in establishing multilateral financial arrangements to facilitate the importation of food by LDCs, the debates about food aid programs in donor countries and the Multi-lateral Trade Negotiations (MTN) as they affect agricultural products.

In the food aid area, a project is underway in collaboration with the Trends and Statistics Program to assess food aid requirements for low-income, food deficit countries. This work will make projections of the financial magnitude of the food gap and the portion of it which can be paid for on commercial terms. The residual constitutes the stable food aid requirement.

To support its work on food aid and food security, the Trade Program has completed a data file for all cereal food aid flows from all donors to all recipients since 1954 and matched it against trade data series to determine the proportion of past imports that have been concessionally financed. Data series relating to the GNP growth rates, growth rates of the export sector, foreign exchange reserves, and external debt burden were compiled and are ready for analysis.

Apart from follow-up work in the areas of international approaches to food security and food aid described above, additional emphasis will be given to domestic trade policy analysis in LDCs. Trade policies can greatly affect investment, production and consumption of food, in addition to their more obvious affects on the balance of trade. The principal project will be on food security, self-sufficiency and trade in selected LDCs. This will involve development of an analytical framework that permits the ramifications of alternative adjustment policies to be explored, and the application of this framework to selected cases. The ongoing studies on food security in the Sahel (which was partly funded by USAID), the rice policy study in Southeast Asia, and the on-going work on trade policy and agriculture in Colombia represent critical steps in the development of this research approach.

Another area in which work is envisaged, which is also an extension of ongoing work on trade liberalization, is on the potential for a growing trade among the LDCs themselves.

During the calendar year 1981 IFPRI plans to publish and distribute at least eight Research Reports, an Annual Report, and three newsletters (IFPRI Report). The abstract series begun in 1980 will become a regular feature. The abstracts, derived from the Research Reports and emphasizing their policy implications, will be sent to all those who now receive copies of the Research Report and to a wider audience consisting of those who might be more inclined to read an abstract than a longer, more technical report.

During 1981 it is expected that IFPRI will disseminate the first in a regular series of annual Institute policy statements. Signed by the Institute's director, these statements will elaborate on key issues in the food policy area.

As IFPRI's research output expands, the Institute will increase the number of conferences, seminars, and workshops it will organize and run either at IFPRI headquarters or at outside locations deemed appropriate.

It is estimated that a total of 20 seminars will be held in 1981-82. At least two workshops will be held in developing countries in Asia and/or Africa. They will be organized around the policy-oriented research thrusts.

vi. Collaborative Research Projects and Training Programs

IFPRI emphasizes training through participation in research and research internships, rather than formal training courses. More than half of its core staff is from Third World countries, and most staff members have contracts of between two and five years. Thus there is a constant interchange of ideas and experiences on development problems among its staff, and a return flow to their countries of people trained in policy analysis who have worked as part of a multi-disciplinary, multi-national research staff. The Institute's research assistants also come from a wide range of national backgrounds, and in several cases it has been possible to arrange formal training for a higher degree for promising students after a period of work at IFPRI. A post-doctoral fellowship program at IFPRI is being considered, but funding constraints may now preclude its initiation in 1981.

In addition, and to an increasing extent, collaborative programs are being established with national institutions in developing countries, with IFPRI's core staff playing a catalytic and coordinating role, and national staff supported by special funding. The Rice Policies in Southeast Asia, the Food Subsidies and Nutrition Projects, and new collaborative projects in India, Bangladesh, and Egypt are examples. Over time such programs are likely to be the main instrument through which IFPRI helps to build national capabilities for agricultural policy analysis, as well as providing a significant feed-in to its core research activities.

PAYMENT - FEDERAL RESERVE LETTER OF CREDIT (FRLC) ADVANCE

- (a) AID shall open a Federal Reserve Letter of Credit (hereinafter referred to as an "FRLC") in the amount of this Grant, against which the Grantee may present payment vouchers (i.e., TFS 5401). The payment vouchers shall not ordinarily be submitted more frequently than and shall not be less than \$5,000 or more than \$5,000,000. Since the FRLC method enables the recipient organization to obtain funds from the U.S. Treasury concurrently with and as frequently as disbursements are made by the recipient, there need be no time lag between disbursements by the recipient organization and drawdowns from the U.S. Treasury by FRLC. Therefore, there is no necessity for the recipient to maintain balances of Federal cash other than small balances.
- (b) In no event shall the accumulated total of all such payment vouchers exceed the amount of the FRLC.
- (c) If at any time, the AID Controller determines that the Grantee has presented payment vouchers in excess of the amount or amounts allowable in (a) and (b) above, the AID Controller shall advise the Grant Officer who may:
  - (1) cause the FRLC to be suspended or revoked; or
  - (2) direct the Grantee to withhold submission of payment vouchers until such time as, in the judgment of the AID Controller, an appropriate level of actual, necessary and allowable expenditures has occurred or will occur under this Grant, and/or
  - (3) request the Grantee to repay to AID the amount of such excess. Upon receipt of the Grant Officer's request for repayment of excess advance payments, the Grantee shall promptly contact the AID Controller to make suitable arrangements for the repayment of such excess funds. Advances made by primary recipient organizations (those which receive payments directly from the Government) to secondary recipients shall conform to the same standards outlined above applicable to advances made by the Government to primary recipient organizations.
- (d) Procedure for Grantee.
  - (1) After arranging with a commercial bank of its choice for operation under the FRLC and obtaining the name and address of the Federal Reserve Bank or branch serving the commercial bank, the Grantee shall deliver to the AID Controller 3 originals of Standard Form 1194, "Authorized Signature Card for Payment Vouchers on Letters of Credit" signed by those official(s) authorized to sign payment vouchers against the FRLC and by an official of the Grantee who has authorized them to sign.

- (2) The Grantee shall subsequently receive one certified copy of the FRLC.
- (3) The Grantee shall confirm with his commercial bank that the FRLC has been opened and is available when funds are needed.
- (4) To receive payment, the Grantee shall:
  - (A) Periodically, although normally not during the last five days of the month, prepare payment voucher (Form TFS 5401) in an original and three copies
  - (B) Have the original and two copies of the voucher signed by the authorized official(s) whose signature(s) appear on the Standard Form 1194.
  - (C) Present the original, duplicate and triplicate copy of the Form TFS 5401 to his commercial bank.
  - (D) Retain the quadruplicate copy of the voucher.
- (5) After the first payment voucher (Form TFS 5401) has been processed, succeeding payment vouchers shall not be presented until the existing balance of previous payments has been expended or is insufficient to meet current needs.
- (6) In preparing the payment voucher, the Grantee assigns a voucher number in numerical sequence beginning with 1 and continuing in sequence on all subsequent payment vouchers submitted under the FRLC.
- (7) A report of expenditures (i.e., SF 269, "Financial Status Report") shall be prepared and submitted not more than quarterly within 30 days of the end of the period to the AID Controller, AID, Washington, D.C. 20523. This SF 269 Report, submitted with Standard Form 1034, "Public Voucher for Purchases and Services Other Than Personal", shall be in an original and 2 copies.
- (8) The SF 269 report is reviewed against the Grant provisions, and any improper disbursement is disallowed. The Grantee is notified of the reason for the disallowance and is directed to adjust the next periodic report of expenditures to reflect the disallowance and to reduce its next payment voucher against the FRLC by the amount of the disallowance.
- (9) In addition to the submission of the SF 269 and the SF 1034, the Grantee shall submit an original and 2 copies of SF 272, "Federal Cash Transaction Report" as follows:
  - (A) For advances totalling less than \$1 million per year, the Grantee shall submit the SF 272 within 15 working days after the end of the reporting quarter.
  - (B) For advances totalling more than \$1 million per year, the Grantee shall submit the SF 272 within 15 working days after the end of each month, and

(C) The Grantee's cash needs for the ensuing period (i.e., quarter or month) shall be explained under the "Remarks" section of the SF 272.

(e) Refund of Excess Funds.

- (1) If all costs have been settled under the Grant and the Grantee fails to comply with the Grant Officer's request for repayment of excess FRLC funds, the Government shall have the right, on other contracts or grants held with the Grantee, to withhold reimbursements due to the Grantee in the amount of the excess being held by the Grantee.
- (2) If the Grantee is still holding excess FRLC funds on a grant, contract, or similar instrument under which work has been completed or terminated but all costs have not been settled, the Grantee agrees to:
  - (A) Provide within 30 days after requested to do so by the Grant Officer, a breakdown of the dollar amounts which have not been settled between the Government and the Grantee. (The Grant Officer will assume no costs are in dispute if the Grantee fails to reply within 30 days.)
  - (B) Upon written request of the Grant Officer, return to the Government the sum of dollars, if any, which represents the difference between (i) the Grantee's maximum position on claimed costs which have not been reimbursed and (ii) the total amount of unexpended funds which have been advanced under the Grant; and
  - (C) If the Grantee fails to comply with the Grant Officer's request for repayment of excess FRLC funds, the Government shall have the right, on other contracts, grants or similar instruments held with the Grantee, to withhold payment of FRLC or other advances and/or withhold reimbursements due the Grantee in the amount of the excess being held by the Grantee.

Proposed Budget and Anticipated  
Sources of Funds for IFPRI  
CY 1981

Budget

1. Research		\$1,617,000
2. Research Support		232,000
3. Library and Communication Services		391,000
4. General Administration		439,000
5. General Operation		<u>321,000</u>
	Total Core Budget	\$3,000,000
6. Capital Expenses		<u>-0-</u>
	Total Budget	\$3,000,000

Sources of Funds

1. United States (A.I.D.)		\$ 800,000
Australia, Germany,		
EEC, IDRC, OPEC, World Bank,		
Others		<u>2,200,000</u>
	Total Sources	\$3,000,000

Any change in other sources of funds will in no way affect the AID contribution. None of AID's contribution may be used for capital expenses.

## REPORTING REQUIREMENTS

The following reports shall be prepared and submitted to AID as stated below:

(a) One hundred (100) copies of the Comprehensive Annual Report on overall program and fiscal matters for the entire calendar year for which the Grant or Grant Amendment was made;

(b) Ten (10) copies of such other reports as may be prepared in connection with the annual International Centers Week. (This report or these reports will describe proposed program and funding requirements for the ensuing calendar year.);

(c) Ten (10) copies of such other reports as may be prepared or requested from time to time on various other program activities;

(d) Copies of the above stated reports in the quantities indicated shall be submitted to:

Associate Director for Research  
DS/AGR/Research SA-18 (RP-C)  
Agency for International Development  
Washington, D.C. 20523

(e) One (1) copy of each report shall be submitted to the Grant Officer whose name appears on the Grant and three (3) copies of each report shall be submitted to:

The Documentation Coordinator  
DS/DIU SA-18 (RP-C)  
Agency for International Development  
Washington, D.C. 20523

(f) Questions of a general program nature should be addressed to the DS/AGR International Centers Program Analyst as follows:

DS/AGR SA-18 (RPC)  
Program Analyst for IARCs  
Agency for International Development  
Washington, D.C. 20523

(g) And, all correspondence should reference both the Grant and Project numbers.

## TERMS AND CONDITIONS

### ARTICLE I - DEFINITIONS

These definitions are applicable throughout this Grant.

A. "Grantor" shall mean the Agency for International Development, an agency of the Government of the United States of America.

B. "Grantee" shall mean the organization or institution to which the Grant is made

C. "Grant Officer" shall mean the person executing this Grant on behalf of the United States Government, and any other government employee who is a properly designated Grant Officer; and the term includes, except as otherwise provided in this Grant, the authorized representative of a Grant Officer acting within the limits of his authority.

D. "Project Specialist" shall mean the person in the AID Scientific/ Technical Office who has primary program responsibility for the Grant.

E. "Local Currency" shall mean the currency of the country in which activities under this Grant take place.

F. "AID" shall mean the Agency for International Development.

G. "Administrator" shall mean the Administrator or Deputy Administrator of the Agency for International Development.

H. "Government" shall mean the Government of the United States.

I. "Mission" shall mean the United States AID Mission to, principal AID office or designated AID representative in, the country in which a program is being carried out.

### ARTICLE II - ALLOWABLE COSTS

The Grantee shall be reimbursed for direct costs incurred in implementing the program supported by the Grant during its specified Calendar Year/CORE/Operating

Budget provided such costs are incurred in accordance with the terms and conditions of said Grant, including the attached budget, and are determined to be allowable, allocable and reasonable in accordance with the principles set forth in subpart 1-15.3 of the Federal Procurement Regulations as in effect as of the period of this Grant.

#### ARTICLE III - ACCOUNTING, RECORDS AND AUDIT

The Grantee shall submit to the Grant Officer an annual financial statement certified by an independent public accountant. Financial records, covering all phases of the Grantee's program, including documentation to support entries on the account records and to substantiate expenditures shall be maintained in accordance with accounting principles generally accepted in the U.S. and consistently applied, and shall be available for examination by personnel authorized by AID. All such financial records shall be maintained for at least three years after final disbursement of funds under this Grant. The AID Auditor General and the Comptroller General or their duly authorized representatives reserve the right to conduct an audit of the Grantee's books and records to determine whether the Grantee organization has expended its funds in accordance with the terms and conditions of this Grant. The Grantee agrees to make available any further information requested by AID with respect to any questions arising as a result of the audit.

#### ARTICLE IV - UNEXPENDED FUNDS AND REFUNDS

A. Funds granted hereunder but not disbursed to the Grantee prior to the expiration of the period for which the Grant is made or its termination shall revert to AID. Any funds disbursed to but not expended by the Grantee or for which the Grantee has not incurred a legally binding obligation within the purpose of the Grant and prior to expiration of the Grant period or its termination shall be refunded to AID.

B. If, at any time during the life of Grant, it is determined by the Grant Officer that funds provided under the Grant have been expended for purposes not in accordance with the terms of the Grant, the Grantee shall refund such amounts to AID.

C. Expenditures which may be disallowed at the time of final audit of the Grant will be refunded to AID.

D. If use of Grant funds results in accrual of interest to the Grantee or to any entity to which Grant funds are made available for carrying out the purposes of this Grant, the Grantee shall refund to AID an amount equivalent to the amount of interest accrued.

ARTICLE V - PROGRAM REPORTS

The following reports shall be prepared and submitted to AID as stated below:

(a) One Hundred (100) copies of the Comprehensive Annual Report on overall program and fiscal matters for the entire calendar year for which the Grant was made;

(b) Ten (10) copies of such other reports as may be prepared in connection with the annual International Centers Week, (This report will describe proposed program and funding requirements for the ensuing calendar year.);

(c) Ten (10) copies of such other reports as may be prepared or requested from time to time on various other program activities;

(d) Copies of the above stated reports in the quantities indicated shall be submitted to:

Associate Director, Research  
Office of Agriculture  
Development Support Bureau  
Agency for International Development  
Washington, D.C. 20523

and one copy of each report shall be submitted to the Grant Officer whose name appears on the Grant and three (3) copies of each report shall be submitted to:

The Documentation Coordinator  
DS/DIU, Development Support Bureau  
Agency for International Development  
Washington, D.C. 20523

ARTICLE VI - TRAVEL AND TRANSPORTATION EXPENSES

A. Cost of all international air travel and all international air shipments attributed to this Grant for travel shall be made on United States flag carriers. Exceptions to this rule will be allowed in the following situations; provided, that the Grantee certifies to the facts in the voucher and other documents retained as part of the Grant records to support his claim for reimbursement and for post audit:

1. Where the traveler, while enroute, has to wait 6 hours or more to transfer to a U.S. flag air carrier to proceed to the intended destination, or
2. Where a flight by a U.S. flag air carrier is interrupted by a stop anticipated to be 6 hours or more for refueling, reloading, repairs, etc. and no other flight by a U.S. flag air carrier is available during the 6 hours period, or
3. Where by itself or in combination with other U.S. flag air carriers (if U.S. flag air carriers are "unavailable") it takes 12 hours or longer from the original airport to the destination airport to accomplish the Grantee's program than would service by a non-U.S. flag air carrier or carriers, or
4. When the elapsed traveltime on a scheduled flight from origin to destination airports by non-U.S. flag air carrier(s) is 3 hours or less, and services by U.S. flag air carrier(s) would involve twice such traveltime.

Certification to the reasons therefore for use of non-U.S. flag air carriers shall be retained as a matter of record for examination at time of post audit.

B. Unless otherwise approved in writing by the Grant Officer, the reasonableness of expenses attributable to this Grant for travel, related allowances while in travel status and shipping will be determined in accordance with the Standard Government Travel Regulations in effect at the time the costs are incurred.

C. The Grantee agrees, when such costs are attributable to this Grant, to use less-than-first-class transportation unless such use will result in unreasonable delay. When travel by first-class accommodations becomes necessary, the Grantee shall certify to the facts involved in the voucher or other documents retained as part of this Grant records to support his claim for reimbursement and for post audit.

#### ARTICLE VII - LIMITATION ON TRANSPORTATION

A. All international air shipment of goods, attributable to this Grant, shall be made, to the maximum extent practicable, on U.S. flag carriers. When other than U.S. flag carrier is utilized, the Grantee shall certify to the facts involved in the voucher or other documents retained as part of his Grant records to support his claim for reimbursement and for post audit.

B. International Ocean Transportation. All international ocean transportation of persons and goods which is to be reimbursed in U.S. dollars under this Grant shall be by U.S. flag vessels to the extent that they are available. With respect to the transportation of goods, where U.S. vessels are not available, or their use would result in a significant delay, the Grantee may obtain a release, in advance, from this requirement from the Resources Transportation Division, Agency for International Development, Washington, D.C. 20523, giving the basis for the request.

#### ARTICLE VIII - SALARIES AND WAGES

All salaries, wages, fees, stipends and allowances paid from funds provided by this Grant shall be in accordance with the Grantee's usual policy and practice. Any deviations from Grantee's policy shall be documented and such documentation shall be retained as part of the Grant records for audit by AID and/or the Comptroller General of the United States.

ARTICLE IX - PROCUREMENT OF VEHICLES, EQUIPMENT, MATERIALS, SUPPLIES AND SERVICES

- A. Except as may be specifically approved or directed in advance by the Grant Officer, or as may be provided in paragraph D. below, all equipment, vehicles, supplies and materials, the costs of which are to be attributed to this Grant and which will be financed with United States dollars, shall be purchased in and shipped from the United States and all services shall be obtained from U.S. sources. In addition, for any U.S. purchase transaction in excess of \$2,500, the Grantee shall notify the seller that the item(s) must be of U.S. source and production and comply with the componentry limitations and other requirements applicable to suppliers under AID Regulation 1, and that the supplier must execute and furnish Form AID-282, "Suppliers Certificate and Agreement with the Agency for International Development."
- B. The Grantee shall obtain competition to the maximum extent practicable for any procurement the cost of which is to be attributed to this Grant. Procurement by the Grantee without consideration of more than one source must be certified to and supported by adequate justification as part of the permanent Grant records. In no event will any procurement be on a cost-plus-a-percentage of cost basis.
- C. Procurements in-country, i.e., the country in which the Grantee's facility is physically located, which are less than \$2,500 and are for materials (regularly available and normally sold on the local market) which are to be consumed or expended in the performance of this Grant, are exempt from the conditions set forth in paragraph A. hereinabove, provided that the origin of such materials and supplies and the component parts thereof is a free world country as described in AID Geographic Code 935.
- D. Notwithstanding the provisions of paragraph A. above, an amount of up to \$ -0- of Grant funds provided hereunder may be used to defray expenditures for

in-country costs of local source and origin for items such as local staff, local labor, nonexpendable supplies, materials, equipment, etc. For the purpose of interpreting this clause, all bona fide employees of the grantee both local direct hire and international staff are exempt from the above restrictions on the use of grant funds.

ARTICLE X - TITLE TO AND USE OF PROPERTY

Title to property such as vehicles, equipment, library acquisitions and other similar items purchased with Grant funds vests in the Grantee institution. All such property must be used during the Grant period for activities furthering the purpose of program for which it was purchased and may not be disposed of, provided it has useful life, without the prior written consent of the Grant Officer.

ARTICLE XI - CAPITAL EXPENDITURES

Grant funds may not be used for new construction, alterations or improvements to buildings, fixtures, or facilities except as otherwise authorized herein or as may be subsequently authorized by amendment hereto.

In the event AID determines it appropriate to make a contribution to the Grantee's capital expenditures within the period of this Grant, the Grant will be amended so as to provide for this type of expenditure.

ARTICLE XII - CONVERSION OF UNITED STATES DOLLARS TO LOCAL CURRENCY

Whenever practicable Grantee agrees to convert United States dollars to local currency through the United States Disbursing Officer, American Embassy. When circumstances, certified to by the Grantee, do not permit compliance with this procedure, the Grantee may convert U.S. dollars to local currency through any local bank or accredited financial institution.

ARTICLE XIII - TERMINATION

This Grant may be terminated, at any time, in whole or in part, upon written notice from the Grant Officer to the Grantee. Upon the Grantee's receipt of notice of such termination, it shall take immediate action to minimize all additional obligations financed by this Grant and shall cancel such

unliquidated obligations whenever possible. No further reimbursement shall be made after the effective date of termination, and the Grantee shall, within thirty (30) calendar days after the effective date of such termination, repay to the Grantor all unexpended portions of funds theretofore paid by the Grantor to the Grantee which are not otherwise obligated by a legally binding transaction within the purposes of this Grant. Should the funds paid by the Grantor prior to termination of this Grant be insufficient to cover the Grantee's obligations pursuant to the aforementioned legally binding transactions, the Grantee may submit to the Grantor within ninety (90) calendar days after the effective date of such termination, a written claim covering such obligations and, subject to the limitations contained in this Grant, the Grantor shall determine the amount or amounts to be paid by the Grantor to the Grantee under such claim.

#### ARTICLE XIV - OFFICIALS NOT TO BENEFIT

No member or delegate to the Congress or resident Commissioner shall be admitted to any share or part of the Grant or to any benefit that may arise therefrom.

#### ARTICLE XV - CONVENANT AGAINST CONTINGENT FEES

The Grantee warrants that no person or selling agency has been employed or retained to solicit or secure this Grant upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except bona fide employees or a bona fide established commercial or selling agencies maintained by the Grantee for the purpose of securing business. For breach or violation of this warranty, AID shall have the right to cancel this Grant without liability or, in its discretion, to deduct from the Grant amount, or otherwise receive the full amount, or each commission, percentage, brokerage, or contingent fee.

ARTICLE XVI - CONFLICT OF INTEREST

Other than in the performance of duty as specified by the Grantee in accordance with this Grant, an employee or consultant assigned by the Grantee, whose expenses may be reimbursable hereunder, shall not engage, directly or indirectly, either in his own name or in the name or through the agency of another person, in any business, profession, or occupation in any country to which he is assigned; nor shall he make loans to or investments in any business, profession or occupation in any country to which he is assigned.

ARTICLE XVII - SUBORDINATE AGREEMENTS

The placement of subordinate agreements, grants, or contracts (the costs thereunder which are attributable to this Grant) with other organizations, firms or institutions is subject to the prior written consent of the Grant Officer. In no event shall any such subordinate agreement, grant, or contract be on a cost-plus-a-percentage-of-cost basis. Subordinate contractors (including suppliers) shall be selected on a competitive basis to the maximum practicable extent consistent with the obligations and requirements of this Grant.

ARTICLE XVIII - EQUAL OPPORTUNITY

With regard to the employment of persons in the U.S. under this Grant Grantee agrees to take all reasonable steps to insure equality or opportunity in its employment practices without regard to race, religion, sex, color or national origin of such persons and that, in accordance with Title VI of the Civil Rights Act of 1964 when work funded by this Grant is performed in the U.S. no person shall, on the grounds of race, religion, sex, color, or national origin, be excluded from participation, be denied benefits, or be subjected to discrimination. In addition, the Grantee agrees to comply within its written assurance of compliance, with the provisions of Part 209 of Chapter II, Title 22

of the Code of Federal Regulations, entitled "Non-Discrimination in Federally Assisted Programs of the Agency for International Development - Effectuation of Title VI of the Civil Rights Act of 1964."

ARTICLE XIX- PUBLICATIONS

- A. As agreed upon by AID and the Grantee, appropriate acknowledgement of AID's support must be made in connection with the publication of any material based on activities conducted under this Grant. The acknowledgement should also state that the information and conclusions in the paper do not necessarily reflect the position of AID or the U.S. Government.
- B. AID (DS/AGR) will be informed of all publication and dissertations developed through the Grantee's research program, and the Grantee will provide at least two (2) copies of such publications as requested by DS/AGR.
- C. The Grantee is permitted to secure copyright to any publication produced or composed under this Grant; provided, the Grantee agrees to and does hereby grant to the Government a royalty-free, nonexclusive and irrevocable license throughout the world to use, duplicate, disclose, or dispose of such publications in any manner and for any purpose and to permit others to do so.
- D. Nothing contained in this clause shall imply a license to the Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Government under any patent.

ARTICLE XXI- AMENDMENT

The Grant Agreement may be amended by means of modifications to the basic Grant document or by means of an exchange of letters between the AID Grant Officer and an appropriate official of the Grantee.

ARTICLE XXII - GRANT AGREEMENT

The letter to the Grantee signed by the Grant Officer, and all attachments identified therein, which have been reviewed and agreed to by the Grantee, constitute the Grant Agreement.

ARTICLE XXIII - NOTICES

Any notice given by any of the parties hereunder, shall be sufficient only if in writing and delivered in person or sent by telegraph, cable, registered or regular mail as follows:

TO AID: Grant Officer  
Office of Contract Management  
Central Operations Division  
Agency for International Development  
Washington, D.C. 20523

TO GRANTEE: At Grantee's address shown in this Grant, or to such other address as either or such parties shall designate by notice given as herein required. Notices hereunder, shall be effective when delivered in accordance with this clause or on the effective date of the notice, whichever is later.

Worksheet

AID 1350-114 (1-78)	DEPARTMENT OF STATE AGENCY FOR INTERNATIONAL DEVELOPMENT	1. Cooperating Country DS Bureau	Page 1 of 1 Pages
		2. PIC/T No. 936-4062.11-3606369	3. <input type="checkbox"/> Original or Amendment No. <u>1</u>
		4. Project/Activity No. and Title 936-4062 International Food Policy Research Institute (IFPRI)	
		5. Appropriation Symbol 72-1101021.3	

PIO/T

PROJECT IMPLEMENTATION  
ORDER/TECHNICAL  
SERVICES

DISTRIBUTION	7. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document	6. Allotment Symbol and Charge 043-36-099-00-20-01	8. Project Assistance Completion Date (Mo., Day, Yr.) 12/31/80
	9. Authorized Agent AID/Washington	10. This PIO/T is in full conformance with PRO/AG N/A Date	
	11a. Type of Action and Governing AID Handbook <input type="checkbox"/> AID Contract (HB 14) <input type="checkbox"/> PASA/RSSA (HB 12) <input checked="" type="checkbox"/> AID Grant (HB 13) <input type="checkbox"/> Other		11b. Contract/Grant/PASA/RSSA Reference Number (if this is an Amendment) AID/DSAN-G-0229

DS/PO OFFICIAL FILE

12. Estimated Financing (A detailed budget in support of column (2) is attached as attachment no. _____)					
		(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
Maximum AID Financing	A. Dollars	\$500,000	\$50,000		\$550,000
	B. U.S.-Owned Local Currency				

13. Mission Reference

14a. Instructions to Authorized Agent

SER/CM/COD is authorized to amend subject grant with the International Food Policy Research Institute (IFPRI) to add the additional 1980 core support indicated above. All other provisions of the Grant remain unchanged.

These funds represent part of the AID contribution of up to 25 percent of the total requirements for the 1980 Consultative Group on International Agricultural Research (CGIAR) programs.

Vouchers: Address SF 1035<sup>4</sup> submissions as shown in block 14b and include Grant # AID/DSAN-G-0229 and DS/AGR Research. (Project 936-4062)

Action Memorandum for the Administrator dated 10/29/79

14b. Address of Voucher Paying Office

SER/FM/PAD, Room 601 SA-12  
Agency for International Development  
Washington, D.C. 20523

FUNDS RESERVED BY  
KT 4190  
DATED 6/25/80

15. Clearances—Include typed name, office symbol, telephone number and date for all clearances.

A. The project officer certifies that the specifications in the statement of work are technically feasible DS/AGR/R, F. J. Williams, W.	Phone No. 225-8803	B. The statement of work lies within the purview of the initiating and approved agency programs DS/PO/FN, A. Silver	Date 6-19-80
C. DS/AGR, S. Engberg DS/AGR, T. O'Hare	Date 6/20/80	D. Funds for the services requested are available	
E. DS/AGR/D, R. Solem	Date 6/24/80		

16. For the cooperating country: The terms and conditions set forth herein are hereby agreed to N/A	17. For the Agency for International Development Kenneth A. Milow Signature Date 6/30/80 Title DS/PO, Chief, Program Division
--	---

Worksheet

AID 1350-1X (1-78),  PIO/T	DEPARTMENT OF STATE AGENCY FOR INTERNATIONAL DEVELOPMENT	1. Cooperating Country DS Bureau	Page 1 of 2 Pages
	PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES	2. PID/T No. 936-4062.11 <i>3606369</i>	3. <input checked="" type="checkbox"/> Original or Amendment No. _____
		4. Project/Activity No. and Title 936-4062.11 International Food Policy Research Institute (IFPRI)	

DISTRIBUTION	5. Appropriation Symbol 72-1101021.3	6. Allotment Symbol and Charge 043-36-099-00-20-01
	7. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document	8. Project Assistance Completion Date (Mo., Day, Yr.) 12/31/80
	9. Authorized Agent AID/Washington	10. This PIO/T is in full conformance with PRO/AG N/A Date _____
	11a. Type of Action and Governing AID Handbook <input type="checkbox"/> AID Contract (HB 14) <input type="checkbox"/> PASA/RSSA (HB 12) <input checked="" type="checkbox"/> AID Grant (HB 13) <input type="checkbox"/> Other.	11b. Contract/Grant/PASA/RSSA Reference Number (if this is an Amendment) N/A

12. Estimated Financing (A detailed budget in support of column (2) is attached as attachment no. I)

Maximum AID Financing	A. Dollars	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
					\$500,000
	B. U.S.-Owned Local Currency				

3. Mission  
References  
  
ation Memo  
or the  
ministrato  
ted  
/19/79

14a. Instructions to Authorized Agent  
This PIO/T is to fund a Grant Agreement between AID and the International Food Policy Research Institute (IFPRI) to provide support for the CY 1980 IFPRI. The funds represent part of the AID contribution of up to 25% of the total requirements for the Consultative Group on International Agricultural Research (CGIAR) program.

Vouchers: Address SF 1034 submissions as shown in block 14b and include Grant # AID/DSAN-G- and DS/AGR/Research.

FUNDS RESERVED BY  
*Bullman*  
POSTED *2/1/80*  
SER/PM/SSD

14b. Address of Voucher Paying Office:  
SER/FM/PAD AID Rm. 601 SA-12  
Agency for International Development, Washington, D.C. 20523

Clearances—Include typed name, office symbol, telephone number and date for all clearances.

The project officer certifies that the specifications in the statement of work are technically adequate	Phone No. 235-8893	B. The statement of work lies within the purview of the initiating and approved agency programs Date DS/PO/FN, A. Silver DS/PO/FN, P. Gage <i>Po</i> 1-31-80
	Date 1-25-80	
	DS/AGR/R, F. Williams <i>FW</i>	D. Funds for the services requested are available Posted: _____  DS/SER/PPA, M. Egan
	DS/AGR/D, M. Mozynski <i>MEM</i> DS/AGR/D, T. O'Hare <i>TO</i>	
	Date 1-25-80	
	Date 1/21/80	

For the cooperating country: The terms and conditions set forth herein are agreed to

Signature: *Kenneth A. Milow* Date: 1/31/80  
Title: DS/PO, Chief, Program Division

CONTINUATION SHEET	DEPARTMENT OF STATE AGENCY FOR INTERNATIONAL DEVELOPMENT	<input type="checkbox"/> Worksheet <input checked="" type="checkbox"/> Invoice		PAGE <u>2</u> OF <u>2</u> PAGES
	<input type="checkbox"/> PIO/C <input type="checkbox"/> PIO/P <input checked="" type="checkbox"/> PIO/T <input type="checkbox"/> PA/PR	1. Cooperating Country DS Bureau		
		2a. PIO Number 936-4062.11	2b. Amendment <input checked="" type="checkbox"/> Original OR No. _____	
		3. Project Number and Title      936-4062.  International Food Policy Research Institute (IFPRI)		

Indicate block numbers      Use this form to complete the information required in any block of a PIO/P, PIO/T or PA/PR. For PIO/C, furnish the item number, quantity, description/specifications, including catalog stock number and price when available.

4      Block 14 (Continued): The Summary of Proposed Activities 1980 and Summary of Costs by Program and Activity, 1977-1980 (Attachment I) should be placed in the Grant as a general description of the Grantee's program.

Annex I

SUMMARY OF PROPOSED ACTIVITIES 1980

A. PURPOSE OF CENTER

The International Food Policy Research Institute was established to identify and analyze alternative national and international strategies and policies for meeting food needs in the world, with particular emphasis on low-income countries and on the poorer groups in those countries. While the research effort is geared to the precise objective of contributing to the reduction of hunger and malnutrition, the factors involved are many and wide-ranging, requiring analysis of underlying processes and extending beyond a narrowly defined food sector. IFPRI's research program is to reflect worldwide interaction with policymakers, administrators, and others concerned with increasing food production and with improving the equity of its distribution.

B. OBJECTIVES OF MAJOR CORE RESEARCH PROGRAMS

IFPRI's research effort is conducted under four program heads: production, consumption and distribution, trade, and trends and statistics. Although the research is divided into these four categories for administrative convenience, there is a great deal of operational interaction and collaboration between researchers in the different programs and there are several interdisciplinary projects, cutting across program boundaries. The allocation of resources to programs is shown in Appendix Tables 1 and 2.

i Trends and Statistics

Research efforts are mainly oriented to defining the magnitude and components of the current and future food problem in the developing countries, thereby providing general indicators for needed actions and research on food policies in these countries. Studies center on analyzing historical trends of food production and consumption in developing economies and on deriving trend-based projections of their future food needs. IFPRI attempts to identify the critical areas where food problems are likely to occur, indicate the possible size of future food gaps in these areas, and analyze the general policy implications of such gaps in order to focus attention on the problems and, hopefully, to help generate national and international action for their solution. The output of the program also provides the other IFPRI research programs with a trend-based scenario of the food problem in developing nations that can help identify needs on specific food policy issues.

Three major research activities were completed by the Trends and Statistics program in 1979.

- Research Report No. 11, Rapid Food Production Growth in Selected Developing Countries: A Comparative Analysis of Underlying Trends, 1961-76. This examines the sources of food production growth in 16 developing market economy (DME) countries that exhibited average annual growth rates in the output of staple food crops of more than 3% in the past 15 years. The study identifies the various food crops and production components that are mainly responsible for the overall increases of food output in these countries. Findings of the analysis can be of interest to other developing countries that are formulating policies designed to achieve faster growth rates in food production.

- Work on agricultural statistics, trends and projections for the People's Republic of China which will be published as separate papers and used as the basis for the inclusion of the PRC in IFPRI's gap analysis.

- An analysis of the differences between data published on major staple food crops from the United States Department of Agriculture (USDA) and those from the Food and Agriculture Organization of the United Nations (FAO). Hopefully this will help guide researchers who use the FAO and USDA data series on these commodities, and contribute to the current efforts of the two organizations for a closer agreement on agricultural statistics.

Resources allocated to the Trends and Statistics Program for 1980 will be focused chiefly on two program areas:

- Preparation of the assessment of world food situation in the year 2000 using a trend-based scenario of food production and consumption in the developing countries. The general approach will be similar to that used in previous assessments but with the inclusion of the PRC, expansion of country and commodity coverage, and the use of corrected long-term food production trends for key developing countries where these indications are significantly affected by extremely poor production years.

- Work on demand and supply projections on livestock with the possible consideration of the effects of long-term cycles on calculated growth rates in the supply of these commodities and the technical coefficients between feedgrain utilization and the output of the different livestock and livestock products

## ii      Production

The research priorities of the Production Program fall in the areas of production strategy, specific production and investment policies, and linkages involved in the growth process, especially in rural development-led strategy of growth. Work in the production strategy area deals with the trade-offs involved in the development of scarce resources, with the object of identifying optimal production strategies; while the research on specific production policies focusses on a few key inputs including agricultural research, irrigation investment, and fertilizer use. These are crucial for bringing about resource-augmenting shifts in production functions to relieve existing physical resource constraints and have probably received insufficient attention in the work of the other institutes of the CGIAR system, which are largely oriented to the biological sciences.

The approach in the production strategy area has been to undertake country case studies to identify the possible conflicts between the objectives of growth and equity in agriculture and ways of minimizing such conflicts and to examine the impact of growth, especially new technology-based growth, on the variance of agricultural output. Added to this in 1980 will be a study of farming systems in West Africa which will identify the principal constraints to the improvement of farming systems through the incorporation of available new technology.

The research dealing with linkages explores the relationships between agriculture and nonagriculture in the process of growth, and more important, the income/employment implications of the demand-induced effects of agricultural growth. Particular importance is given to the effects of increases in labor intensive commodity production on expanding the incomes of the poor, which in turn expands their demand for foodgrains, since it may be difficult to sustain high rates of foodgrain output growth without such increased demand. Work on the linkage effect of agricultural growth will be intensified in 1980 and will constitute one of the major thrusts of the Production Program.

The first phase of IFPRI's work in the area of production and investment comprised a major study published as Research Report 10, Investment and Input Requirements for Accelerated Food Production in Low-Income Countries by 1980, which showed that to achieve the average annual growth rate of nearly 4% in food production required to prevent a serious deterioration of per capita food availability by 1990 will require a massive increase in direct investment in the agricultural sector as well as a major parallel investment in indirect support for rural infrastructure development.

The work in the area of specific production policies has been mainly concerned with agricultural research and water use. Work in agricultural research resulted in a study undertaken for the TAC on the criteria to guide priorities in the allocation of resources to international research. Subsequent to the broader study of investment requirements referred to above, in which irrigation represents much the largest component of capital expenditures, attention is being focused on national

policies for irrigation and improvement of efficiency in water use in the ASEAN countries as part of the study on rice policy in Asia which is a collaborative special project between IFPRI, IFDC, and IRRI. Added to this work is a study of the forces governing the growth of fertilizer use in developing countries. Work on fertilizer is conducted in close accordance with the International Fertilizer Development Centre.

### iii Food Consumption and Distribution

The Food Consumption and Distribution Program is concerned with identifying and analyzing policies and factors that affect food consumption and nutrition, with special reference to the food deficient groups of society and how to increase their effective demand for food.

In pursuing these aims, the program's research activities in 1979 have focussed primarily on the analysis of food distribution policies and food consumption patterns. A country case study approach has been adopted. Three country studies have been completed. These are : Impact of Subsidized Rice on Food Consumption and Nutrition in Kerala; Public Distribution of Foodgrains in Kerala - Income Distribution Implications and Effectiveness; and Foodgrain Supply, Distribution and Consumption Policies Within a Dual Pricing Mechanism: A Case Study of Bangladesh. A fourth research report entitled "The Impact of the Public Foodgrain Distribution on Food and Welfare in Sri Lanka" is forthcoming.

The studies taken together provide valuable information on who benefits from the public distribution system and at what cost, the nature of interaction between the public and market distribution system, and what feasible options are available to meet the food needs of the rural poor. They also provide an analytical framework that could be very useful in the management of the foodgrain system of these and other low-income countries.

In addition a report on Brazil's Minimum Price Policy and the Agricultural Sector of Northeast Brazil, and papers on "Consumer Demand for Foodgrains in India from 1961/2 to 1973/4" and "Behavior of Foodgrain Production and Consumption in India, 1960-77" were completed in 1979.

Focus for 1980 will be in two areas. Cost effectiveness of food subsidy and nutrition programs will extend the South Asia work by reviewing knowledge of the operation of related schemes elsewhere, by expanding coverage to incorporate targeted food programs, and by measuring the relative distribution of benefits and costs involved in operating broad-based and more narrowly targeted programs. The second area of analysis is on the impact of price policies on income distribution and food consumption patterns in four Southeast Asian countries. This study, which looks into the relation between food prices and wage and employment levels in rural and urban areas, is an important missing link in our capacity to analyze the impact of policy changes on income distribution and consumption. Institute-based research for both of these projects is funded by core budget; field work will be funded by special project funding.

Finally, work will be done on the development of methodologies for deriving the demand parameters necessary for evaluating consumption impacts of policies and programs, the evaluation of the income distribution impact of new agricultural technologies and the evaluation of food for works programs to be undertaken in cooperation with the Trade Program.

iv Trade

The Trade Program has two major organizational areas of concern: international policy issues and how they interface with food policy in less developed countries, and domestic trade policy analysis. Research in these areas is approached from two basic premises. One is that in most LDCs, trade policies realistically cannot be separated from their more general food and agricultural strategies. The second premise is that the conditions faced by developing countries on the world market, including foreign aid and financial facilities, to an important degree determine the options they face concerning their domestic agricultural strategy.

The area of international policy issues research at IFPRI falls under three broad topics: food security for food deficit LDCs, agricultural export potential of LDCs, and food aid.

The food security project focusses primarily on assessing the magnitudes of food insecurity in LDCs, the role of international schemes in alleviating food insecurity, and food security policies in LDCs. During 1979, a manuscript entitled "Food Security for LDCs" was completed as an attempt to clarify the issue of food security, to identify the sources of insecurity, to assess the magnitude of the problem in specific country situations in Asia, Africa, the Middle East, and Latin America, and to explore possible solutions at both national and multilateral levels. The book is the outcome of an international conference on the subject jointly sponsored by IFPRI and CIMMYT.

A study was undertaken at FAO's request on "Trade Liberalization in Agricultural Commodities in the OECD and the Potential Benefits to Developing Countries" which concluded that liberalization would result in a three billion dollar increase in LDC export earnings. The study analyzes the geographic distribution of these benefits and identifies the products with significant potentials for each region.

In the food aid area, the Trade Program is working on assessing food aid requirements for low-income, food deficit countries in collaboration with the Trends and Statistics Program, and a related study on closing the food gap with commercial imports.

As part of the domestic trade policy, analysis in the area of food security the Trade Program is working on two projects.

- Approaches to short-run supply management to measure how far consumption of rice in Southeast Asian countries can be insured through trade policies and changes in stocks. This effort is to be supported partly from core funds, with field work and country collaborative research funded as a special project.
- A special project funded by USAID and USDA on a regional scheme for food security for the Sahel, the aim of which is to provide a comprehensive evaluation of costs and benefits of a set of policies - trade, storage, and food insurance - to reduce consumption instability in that region.

Additional emphasis will be given to domestic trade policy analysis in 1980. The principal project will be on food security, self sufficiency and foreign trade: magnitudes, policy options and implications for food importing LDCs. This will involve development of an analytical framework that permits the ramifications of alternative adjustment policies to be explored.

#### v Communications Services

The Communications Services are charged with transmitting the results of IFPRI's work to possible users. At present, this responsibility is met via three channels: publications; conferences, seminars, and workshops; and the headquarters library.

Publications consist of Research Reports; "other publications" comprised of papers and reprints of important articles authored by IFPRI researchers, a newsletter entitled IFPRI Report, and an Annual Report. The Service edits and supervises the printing and distribution of all these publications, which are sent out free of charge. Research Reports and "other publications" are sent worldwide to some 3,700 individuals, government officials, national research agencies, universities, and international organizations concerned with food and agricultural development. The four-monthly newsletter (IFPRI Report), a recent addition to the publication list that reviews the work completed during the period under review and summarizes the work expected to be completed in the ensuing period, is mailed to a larger list of people and institutions concerned with development.

During 1980 IFPRI will publish and distribute at least 12 Research Reports, four "other publications", an Annual Report, and three newsletters (IFPRI Report). Currently under consideration is the production and distribution of an abstract of each Research Report, emphasizing the policy implications. These abstracts would be sent to all who now receive copies of the Research Report and to a wider audience consisting of those who might be more inclined to read an abstract than a longer, more technical report.

As the research output expands, the Institute will place increasing emphasis on conferences, seminars, and workshops, both at IFPRI headquarters and at appropriate outside locations. A conference on economic analysis of food policy and agricultural development is planned for summer 1980, in conjunction with FAO's Regional Office in Chile.

It is hoped that a total of 15 seminars will be held in 1980, including at least one in Asia or Africa. Increased funds should make it possible to invite more professionals from other countries than has previously been the case.

At least one workshop will also be organized and held during the last quarter of that year. All workshops are to be planned in such a fashion as to be readily repeated either at their original site or in different locations in the world.

A meeting of the economists and social scientists of the other International Centres is planned at IFPRI in the latter part of 1980. The purposes of this will be to exchange information on the respective programs of IFPRI and other centers, to discuss the implications of their findings, to identify further priority areas for research in social sciences, and to explore possible collaboration and complementarities between IFPRI, the other centers, and national systems.

#### TRAINING PROGRAMS

IFPRI emphasizes training through participation in research and research internships, rather than formal training courses. More than half of its core staff is from Third World countries, and most staff members have contracts of between two and five years. Thus there is a constant interchange of ideas and experiences on development problems among its staff, and a return flow to their countries of people trained in policy analysis who have worked as part of a multi-disciplinary, multi-national research staff. The Institute's research assistants also come from a wide range of national backgrounds, and in several cases it has been possible to arrange formal training for a higher degree for promising students after a period of work at IFPRI.

In addition, and to an increasing extent, collaborative programs are being established with national institutions in developing countries, with IFPRI's core staff playing a catalytic and coordinating role, and national staff supported by special funding. The Rice Policies in Southeast Asia; and Food Subsidies and Nutrition Projects are examples. Over time such programs are likely to be the main instrument through which IFPRI helps to build national capabilities for agricultural policy analysis, as well as providing a significant feed-in to its core research activities.

D. CORE-FUNDED OUTREACH ACTIVITIES

IFPRI has at present two main off-campus research activities. These are the Rice Policies in Southeast Asia project, being conducted in collaboration with national researchers from the four ASEAN countries in Indonesia, Malaysia, the Philippines and Thailand; and the Food Subsidies and Nutrition Project, to be conducted in collaboration with researchers from Colombia, the Philippines and Zambia. IFPRI supports the supervisor/senior researcher for both of these projects from its core funds plus part of research assistant and secretarial time as well as certain Central Services, such as computer facilities and administrative support.

APPENDIX: FINANCIAL TABLES

Table 1—Summary of costs by program and activity, 1977-1980

Major Activities	Actual 1977		Actual 1978		Approved Budget 1979		Current Estimates 1979		Projected Budget 1980	
	P-Y	Cost	P-Y	Cost	P-Y	Cost	P-Y	Cost	P-Y	Cost
<u>Research Programs</u>										
Production	6.3	254	7.35	336	7.5	398	7.60	440	8.25	617
Distribution	4.3	159	5.30	188	4.0	248	2.25	112	3.0	234
Trends	1.4	90	1.30	81	1.3	109	1.30	108	2.0	154
Trade	4.0	161	4.83	223	4.0	238	4.37	267	4.16	285
Subtotal	<u>16.0</u>	<u>664</u>	<u>18.78</u>	<u>828</u>	<u>16.8</u>	<u>993</u>	<u>15.52</u>	<u>927</u>	<u>17.41</u>	<u>1290</u>
<u>Research Support</u>										
Statistical services		53		98		123		94		111
Consultants		16		36		55		80		70
Subtotal		<u>69</u>		<u>134</u>		<u>178</u>		<u>174</u>		<u>181</u>
<u>Conferences &amp; Training</u>										
Workshops/conferences		<u>0</u>		<u>0</u>		<u>30</u>		<u>14</u>		<u>20</u>
<u>Library &amp; Comm. Services</u>										
Library		21		38		58		46		39
Communications services	.83	39	1.0	112	1.0	241	1.0	264	1.0	323
Subtotal	<u>.83</u>	<u>60</u>	<u>1.0</u>	<u>150</u>	<u>1.0</u>	<u>299</u>	<u>1.0</u>	<u>310</u>	<u>1.0</u>	<u>362</u>
<u>General Administration</u>										
Board		32		35		40		40		44
Director	1.0	109	1.12	118	1.5	233	1.5	180	1.75	215
Administration	1.0	67	1.0	115	1.0	141	1.0	132	1.0	152
Subtotal	<u>2.0</u>	<u>208</u>	<u>2.12</u>	<u>268</u>	<u>2.5</u>	<u>414</u>	<u>2.5</u>	<u>352</u>	<u>2.75</u>	<u>411</u>

Table 1--(Continued)

Major Activities	Actual 1977		Actual 1978		Approved Budget 1979		Current Estimates 1979		Projected Budget 1980	
	P-Y	Cost	P-Y	Cost	P-Y	Cost	P-Y	Cost	P-Y	Cost
<u>General Operation Costs</u>										
Rent		71		89		92		92		120
Communications		16		25		27		27		29
Supplies		13		22		24		24		26
Miscellaneous		33		28		35		49		41
Subtotal		<u>133</u>		<u>164</u>		<u>178</u>		<u>192</u>		<u>216</u>
<u>Capital Expenditures</u>										
Furniture & equipment		<u>34</u>		<u>29</u>		<u>20</u>		<u>10</u>		<u>30</u>
Working Capital Fund		143		8		30		0		0
Total core	<u>18.83</u>	<u>1311</u>	<u>21.9</u>	<u>1581</u>	<u>20.3</u>	<u>2142</u>	<u>19.02</u>	<u>1979</u>	<u>21.16</u>	<u>2510</u>
<u>Categories of Expense</u>										
Personnel costs		871		1159				1420		1826
Staff travel		31		34				90		101
Publications, conferences, library		18		63				158		195
Statistical services		38		68				60		75
Capital expenditures		34		29				9		30
Space rental		71		89				91		120
Administrative costs		105		131				151		163
Working capital fund		143		8				0		0
TOTAL		<u>1311</u>		<u>1581</u>				<u>1979</u>		<u>2510</u>

Table 2—Positions and person years, 1978, 1979, and 1980

Organizational Units	Support Staff																	
	Senior Staff						Scientific and Supervisory						Other Support Staff					
	Positions			Person			Positions			Person			Positions			Person		
	Act. 1978	Est. 1979	Bud. 1980	Act. 1978	Est. 1979	Bud. 1980	Act. 1978	Est. 1979	Bud. 1980	Act. 1978	Est. 1979	Bud. 1980	Act. 1978	Est. 1979	Bud. 1980	Act. 1978	Est. 1979	Bud. 1980
Research Programs	21	21.5	20.5	18.81	15.5	17.41	10	11	11.25	6	8.32	9.33	4.5	4	5.5	4.5	4	
Research Support	...	...	...	...	...	...	2	2	2	1.5	1.5	1.5	...	...	...	...	...	
Library & Communications	1	1	1	1	1	1	2	3	3	1.3	3	3	2.5	4	3.5	2.5	3.5	
General Administration	2.5	2.5	3	2.12	2.5	2.75	2	4	3	.87	4	3	5	4	4	4.75	4	
General Operations	...	...	...	...	...	...	...	1	1	...	.75	1	1.5	2	2	1.5	2	
<b>Total</b>	<u>24.5</u>	<u>25.0</u>	<u>24.5</u>	<u>21.93</u>	<u>19.0</u>	<u>21.16</u>	<u>16</u>	<u>21</u>	<u>20.25</u>	<u>9.67</u>	<u>17.57</u>	<u>17.83</u>	<u>13.5</u>	<u>14</u>	<u>15.0</u>	<u>13.25</u>	<u>13.5</u>	

AID 1350-1 (10-79)	UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY AGENCY FOR INTERNATIONAL DEVELOPMENT	1. Cooperating Country DS Bureau	Page 1 of 1 Pages
		2. PIO/T No. 936-4062 - 361125	3. <input checked="" type="checkbox"/> Original or Amendment No. _____
		4. Project/Activity No. and Title 936-4062 International Food Policy Research Institute (IFPRI)	
		5. Appropriation Symbol 72-1111021.3	

DISTRIBUTION	6. Allotment Symbol and Charge 143-36-099-00-20-11
	7. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document
	8. Project Assistance Completion Date (Mo., Day, Yr.) 12/31/81
	9. Authorized Agent AID/Washington
10. This PIO/T is in full conformance with PRO/AG N/A Date _____	
11a. Type of Action and Governing AID Handbook <input type="checkbox"/> AID Contract (HB 14) <input type="checkbox"/> PASA/RSSA (HB 12) <input checked="" type="checkbox"/> AID Grant (HB 13) <input type="checkbox"/> Other	11b. Contract/Grant/PASA/RSSA Reference Number (If this is an Amendment) AID/DSAN-G-0229

12. Estimated Financing (A detailed budget in support of column (2) is attached as attachment no. <u>II</u> )					
Maximum AID Financing	A. Dollars	(1) Previous Total -	(2) Increase \$800,000	(3) Decrease -	(4) Total to Date \$800,000
	B. U.S.-Owned Local Currency				

13. Mission References	14a. Instructions to Authorized Agent CM/COD is authorized to amend Grant with the International Food Policy Research Institute (IFPRI) to provide partial support for the 1981 IFPRI core operations program. These funds represent part of the AID contribution of up to 25% of the total requirements for the 1981 Consultative Group on International Agricultural Research programs. <u>Vouchers:</u> Address, S.F. 1034 submissions as shown in 14b and include Grant AID/ Project #931-4062, DS/AGR/Research. <u>Attachments:</u> Attachment I: IFPRI letter submitting 1981 program for review and funding. Attachment II: IFPRI Program Budget Proposal 1981-1982.
	14b. Address of Voucher Paying Office SER/FM/PAD, Room 601 SA-12 Agency for International Development Washington, D.C. 20523

15. Clearances—Include typed name, office symbol, telephone number and date for all clearances.			
A. The project officer certifies that the specifications in the statement of work are technical and adequate.	Phone No. 235-8893	B. The statement of work lies within the purview of the initiating and approved agency programs.	Date 12/18/80
	Date 3 x 11 80		Date 12/18/80
	DS/AGR/R, J. Walker	DS/AGR, D. Fiester	<input checked="" type="checkbox"/> Funds for the services requested are available
DS/AGR/R, F. Williams	Date 4/12/80		
DS/AGR, M. Mozynski	Date 12/4/80		
DS/PO/EN, A. Silver	Date 12/5/80		

5. For the cooperating country: The terms and conditions set forth herein are hereby agreed to N/A	17. For the Agency for International Development Kenneth A. Milow Signature Date 12/15/80
Signature _____ Date _____	Title DS/PO, Chief, Program Division

DS/PO OFFICIAL

Action Memo  
for the  
Administrator  
dated  
October 15, 1980

Attachment I

**INTERNATIONAL  
FOOD  
POLICY  
RESEARCH  
INSTITUTE**

1776 Massachusetts Avenue, N.W.  
Washington, D.C. 20036 U.S.A.  
(202) 862-5600  
Cable: IFPRI

November 7, 1980

Mr. James L. Walker  
Associate Director, Research  
Office of Agriculture  
Bureau for Development Support  
Agency for International Development  
Department of State - SA-18, Room 420  
Washington, D.C. 20523

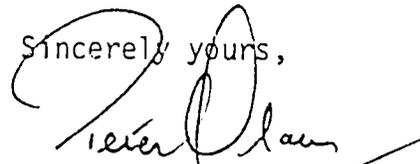
Dear Mr. Walker:

Please find attached a summary of the activities for which IFPRI is seeking AID support, as requested in your letter of August 16.

IFPRI is hereby requesting core support for its 1981 budget. In addition to the detailed 1981-82 Program Budget Proposal submitted to the CGIAR Secretariat, amended as of September 5th (copy attached), I am enclosing for your review a detailed budget plan for 1981, a listing of all anticipated funding sources, and a 1981 work plan.

We are looking forward to receiving your 1981 authorization and funding. Please let me know if we can be of any further assistance.

Sincerely yours,



Peter A. Oram  
Deputy Director

PAO/lg  
Encs.  
cc: Dr. Mellor

Attachment II  
**INTERNATIONAL  
FOOD  
POLICY  
RESEARCH  
INSTITUTE**

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SUMMARY OF PROPOSED ACTIVITIES 1981

A. PURPOSE OF CENTER

The International Food Policy Research Institute was established to identify and analyze alternative national and international strategies and policies for meeting food needs in the world, with particular emphasis on low-income countries and on the poorer groups in those countries. While the research effort is geared to the precise objective of contributing to the reduction of hunger and malnutrition, the factors involved are many and wide-ranging, requiring analysis of underlying processes and extending beyond a narrowly defined food sector. IFPRI's research program is to reflect worldwide interaction with policymakers, administrators, and others concerned with increasing food production and with improving the equity of its distribution.

B. MAIN PROGRAM OBJECTIVES

IFPRI's research effort is conducted under four program heads: production, consumption and distribution, trade, and trends and statistics. Although the research is divided into these four categories for administrative convenience, there is a great deal of operational interaction and collaboration between researchers in the different programs and there are several interdisciplinary projects, cutting across program boundaries. The allocation of resources to programs is shown in Appendix Tables 1 and 2.

i. Trends and Statistics

Analysis of the food gap in developing countries, the central project of the Trends and Statistics Program is comprised of a number of complementary sub-projects or activities that support the continuing development and improvement of IFPRI's periodic assessment of the future food situation in developing countries. Compared with the 1977 assessment, a new assessment under preparation extends the time horizon from 1990 to 2000, expands the non-cereal coverage to all developing countries and widens the commodity coverage of the analysis to include plantains and bananas and, on a phased-study basis, livestock and livestock products. The analysis on livestock and livestock production is aimed to link with and, subsequently, improve the projections of feed requirements. The country coverage of the study is also being significantly widened to include the People's Republic of China (PRC) and other Asian centrally planned economies, plus a number of African developing countries which were excluded in earlier IFPRI assessments because of data limitations.

Work on a "facts book" has begun with compilation of selected world food and related statistics for internal reference use. Food and policy-related data are being organized around IFPRI's policy research thrusts and will be shown on a country basis mostly as trends, relationships and indicators. The effort is to be extended to assembling other more detailed statistics for selected regional groupings of developing countries. While the emphasis of the facts book is on food and especially on the staple food crops, it will include also population, economic and other agricultural statistics.

The trends in food and agricultural production in the 20 developing countries which lead in the output of major staple food crops are to be studied in depth in 1981/82. Although self-sufficiency in food has been generally pursued as a major development goal, many developing countries have continued to depend on the output of nonfood crops as the principal source of foreign exchange earnings to finance food imports and other development needs. The study will provide an overview of the changes that have occurred in the production of food crops in relation to those of nonfood crops in these countries; it will also attempt to relate the growth in output of the crop groups and of agriculture as a whole to the changes in resource use, new inputs and technology and agricultural investment. This will provide a base on which subsequent studies of the crop sector in these countries or regional and country groupings can be pursued.

To provide a broader basis for examining the demand for food and feed, a project is envisaged for studying the derived demand for concentrate feeds, which would eventually extend the food gap analysis into the high protein meal commodities. It will initially focus on soybean, which is the most important component in the oilmeal commodity group. As experience is gained in handling this commodity, other related commodities will be added to the analysis.

Research in the North Africa and Middle East region is expected to be in full swing in 1981. It will constitute an in-depth analysis of the trends of food production and consumption in selected countries of the region where very rapid changes in income and labor transfers are occurring. The analysis will have a regional perspective, which will facilitate the examination of inter-regional trade flows. In analyzing the food gap, it will identify the policy issues of food security which are of regional importance.

## ii. Production Policy

The research priorities of the Production Program fall in the areas of production strategy, specific production and investment policies, and linkages involved in the growth process, especially in a rural development-led strategy of growth.

In the area of production strategy, IFPRI initiated in 1980 a study of farming systems in West Africa. This study will identify the principal constraints to the improvement of farming systems in West Africa through the incorporation of available new technology. The latter involves the keeping of livestock as a source of traction power, manure, and cash income. Successful

policies for improving farming systems through sedentary stockraising will depend to a large degree upon the trade-offs between cash crops, foodcrops, and livestock at the farm level. Correct specifications of these linkages is vital for understanding the implications of new technology for farm production strategies and regional output and for identifying the key constraints that must be overcome to encourage smallholder production of a specific commodity, as well as the appropriate direction for policies designed to increase rural incomes. This will be a major effort in 1981.

The work in the area of specific production policies has been mainly concerned with agricultural research and water and fertilizer use as the main factors contributing to increased productivity in agriculture. Work on international research priorities and planning is being extended in 1981 to the development of criteria for national systems. Subsequent to IFPRI's broad study of investment requirements for accelerating food production (Research Report No. 10) in which irrigation represents much the largest component of capital expenditures, attention is also being focused on national policies for irrigation and the improvement of efficiency in water use in the ASEAN countries as part of the study on rice policy in Asia described later under collaborative projects. In its ongoing study of the forces governing growth of fertilizer use in developing countries, IFPRI has developed a conceptual framework which interprets the process of growth in fertilizer use by taking into account the development and functioning of the entire fertilizer system against the background of the agro-economic potential for fertilizer use. The underlying idea is that under real world conditions, the pace and pattern of growth in fertilizer use are influenced by interactions among different elements of the entire fertilizer system. Hence, public policies should be based on comprehensive rather than fragmentary understanding of what governs the growth of fertilizer use. This study, initially using data derived from Asian countries, is being extended to Africa, and is expected to be completed in 1981.

A further outcome of the investment study of 36 low-income countries referred to above was a realization that there is an important gap in knowledge of current and projected levels of national expenditure on agricultural development. IFPRI has therefore commenced a preliminary study of methodology for analyzing national budgets based on data collected from the nine South American countries. It is planned to extend this work in 1981 to selected African and Asian countries.

From its very nature, the study of growth linkages has to be based on country case studies. One effort in this area of studying the interactions between agriculture and the rest of the economy in the process of growth has led to the publication during 1979 of a research report entitled Inter-Sector Factor Mobility and Agricultural Growth. The author of this study built a model to illuminate the Japanese experience pertaining to the development of agriculture and the overall economy. This model will be used to bring out the implications of the various policies pursued in Argentina which had a bearing on its agricultural development. The possibilities of using the model to study the Mexican experience are also being explored.

Another effort has resulted in the preparation of a preliminary version of a research paper on agricultural performance and industrial growth in India. This paper, currently under revision, is a study of the various linkages involved between agricultural and industrial growth and is focused on the question of what impact a given increase in agricultural growth could have on overall economic growth. Work on growth linkages in India and Bangladesh is to be continued through 1981.

Another important area of research which is being taken up in the context of the Production Policy Program for the coming years is Risk Management. The problem of weather and price-related risks in agriculture is so important that it is intended to undertake a study of specific risk-management policies with a view to assessing their possibilities for expanding agricultural production in the developing countries.

### iii. Food Consumption and Distribution Program

Work done previously at IFPRI has shown that if past trends of food production, income and employment growth continue into the future, food consumption will continue to grow slowly and the number of households with substandard food intake will actually increase over the coming decade. Even if food production can be accelerated, consumption will not automatically keep pace where there are large pockets of poverty and unemployment. It is therefore necessary to devise viable and efficient programs to alleviate the problem in the short run.

Work has therefore been started on a project comparing the costs and benefits of alternative targeted and broad-based types of programs that involve food (and income) subsidies or transfers. The first phase of this project which is being conducted in collaboration with FAO and several national research agencies began in 1979 with a review of what is known about the causes of malnutrition. Work has commenced with national research centers in Zambia, the Philippines and Bangladesh to begin data collection and analysis for Phase II of the project. In 1981 the emphasis will shift to the Phase II work involving empirical field studies of programs in three countries.

Work on the interaction between economic growth, urbanization, and food consumption now underway as part of IFPRI's Asian Rice Policy Project, will be continued and extended in 1981. The main focus of this research will be on the impact of shifts in demand and supply in the food sector on income distribution, employment and real wages. One aspect of this research will examine the impact of past introduction of modern agricultural technology for selected key crops on income distribution and consumption patterns in selected regions, while a related study will examine how the structure of rural and urban labor markets and related institutions affect the impact of policy changes on wages and labor income in four Southeast Asian countries.

Other work planned will deal with: relations between land tenure, labor force participation and food consumption, with special reference to production and consumption of low-cost sources of calories such as corn, cassava and coarse grains; reciprocal relationships between work effort, food and productivity in subsistence agriculture; and the development of improved methods for designing food sector strategies; and the relationship between food consumption pattern and intra-household variables.

#### iv. Trade Program

The Trade Program is organized around two major areas: the first is international policy issues and their interface with food policy in LDCs, and the second is trade and food strategies in the LDCs themselves.

The area of international policy issues research at IFPRI falls under three broad topics: food security for food deficit LDCs, agricultural export potential of LDCs, and food aid.

The work of the Trade Program in this area in 1981 will represent a continuation of current efforts to present independent and well-documented research, identifying problems and examining specific policy choices in relation to the concern about food security, the interest in establishing multilateral financial arrangements to facilitate the importation of food by LDCs, the debates about food aid programs in donor countries and the Multi-lateral Trade Negotiations (MTN) as they affect agricultural products.

In the food aid area, a project is underway in collaboration with the Trends and Statistics Program to assess food aid requirements for low-income, food deficit countries. This work will make projections of the financial magnitude of the food gap and the portion of it which can be paid for on commercial terms. The residual constitutes the stable food aid requirement.

To support its work on food aid and food security, the Trade Program has completed a data file for all cereal food aid flows from all donors to all recipients since 1954 and matched it against trade data series to determine the proportion of past imports that have been concessionally financed. Data series relating to the GNP growth rates, growth rates of the export sector, foreign exchange reserves, and external debt burden were compiled and are ready for analysis.

Apart from follow-up work in the areas of international approaches to food security and food aid described above, additional emphasis will be given to domestic trade policy analysis in LDCs. Trade policies can greatly affect investment, production and consumption of food, in addition to their more obvious effects on the balance of trade. The principal project will be on food security, self-sufficiency and trade in selected LDCs. This will involve development of an analytical framework that permits the ramifications of alternative adjustment policies to be explored, and the application of this framework to selected cases. The ongoing studies on food security in the Sahel (which was partly funded by USAID), the rice policy study in Southeast Asia, and the on-going work on trade policy and agriculture in Colombia represent critical steps in the development of this research approach.

Another area in which work is envisaged, which is also an extension of ongoing work on trade liberalization, is on the potential for a growing trade among the LDCs themselves.

## Communications Services

During the calendar year 1981 IFPRI plans to publish and distribute at least eight Research Reports, an Annual Report, and three newsletters (IFPRI Report). The abstract series begun in 1980 will become a regular feature. The abstracts, derived from the Research Reports and emphasizing their policy implications, will be sent to all those who now receive copies of the Research Report and to a wider audience consisting of those who might be more inclined to read an abstract than a longer, more technical report.

During 1981 it is expected that IFPRI will disseminate the first in a regular series of annual Institute policy statements. Signed by the Institute's director, these statements will elaborate on key issues in the food policy area.

As IFPRI's research output expands, the Institute will increase the number of conferences, seminars, and workshops it will organize and run either at IFPRI headquarters or at outside locations deemed appropriate.

It is estimated that a total of 20 seminars will be held in 1981-82. At least two workshops will be held in developing countries in Asia and/or Africa. They will be organized around the policy-oriented research thrusts,

## vi. Collaborative Research Projects and Training Programs

IFPRI emphasizes training through participation in research and research internships, rather than formal training courses. More than half of its core staff is from Third World countries, and most staff members have contracts of between two and five years. Thus there is a constant interchange of ideas and experiences on development problems among its staff, and a return flow to their countries of people trained in policy analysis who have worked as part of a multi-disciplinary, multi-national research staff. The Institute's research assistants also come from a wide range of national backgrounds, and in several cases it has been possible to arrange formal training for a higher degree for promising students after a period of work at IFPRI. A post-doctoral fellowship program at IFPRI is being considered, but funding constraints may now preclude its initiation in 1981.

In addition, and to an increasing extent, collaborative programs are being established with national institutions in developing countries, with IFPRI's core staff playing a catalytic and coordinating role, and national staff supported by special funding. The Rice Policies in Southeast Asia, the Food Subsidies and Nutrition Projects, and new collaborative projects in India, Bangladesh, and Egypt are examples. Over time such programs are likely to be the main instrument through which IFPRI helps to build national capabilities for agricultural policy analysis, as well as providing a significant feed-in to its core research activities.

# INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE

## 1981 Budget Request

### Budget Notes

IFPRI's budget request for 1981 is \$3.0 million.

1. Staffing: IFPRI's long-range objective, as reviewed by the CGIAR, the TAC, and the TAC Review Team when membership in the CGIAR system was under consideration, is a senior research staff of 25 persons. IFPRI's senior research staff reached 21 positions in 1980. Because of budget constraints the Institute does not plan to add any research positions in 1981.
2. Research Support: Under research support is included: travel, computer costs, research assistants and secretarial service.
  - Travel. IFPRI's budget provides travel support for each senior researcher in the amount of \$5000. This level continues IFPRI's 1980 support level of \$4500 with some allowance for the effect of inflation.
  - Computer Costs. IFPRI's 1981 budget provides computer support at the rate of \$4000 per senior researcher with some allowance for data base costs. At this level IFPRI is continuing the 1980 support level with some allowance for inflation.
  - Research Assistants. IFPRI's 1981 budget provides research assistance at the rate of 1/2 research assistant for each senior researcher and 1/4 for each research associate. This maintains the same support ratio as 1980.
  - Secretarial Service. IFPRI's 1981 budget provides for six research program secretaries--one for each research program area and the equivalent of two secretaries to meet special typing needs.
  - Office Space. Space rental cost increases in 1981 reflect the acquisition of additional office space in 1980.

TABLE 2

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INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE

1981 BUDGET

By Major Expense Categories

<u>Expense</u>	<u>Proposed 81 Budget (000)dollars</u>
Personnel Costs	2,146
Staff Travel	130
Publications, Conference, Library	197
Statistical Services	99
Furniture and Equipment	33
Space Rental	166
Administrative Costs	229
	<hr/>
	3,000

## INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE

1981 BUDGET

BY MAJOR ACTIVITY CATEGORY

<u>Activity</u>	<u>Proposed 81 Budget (000)dollars</u>
<u>Research Program</u>	
Production	706
Distribution	289
Trends	243
Trade	304
Collaborative Research	75
	<hr/>
	1,617
<u>Research Support</u>	
Statistical Services	177
Consultants	55
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	232
<u>Library &amp; Communications</u>	
Library	45
Communications Services	346
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	391
<u>General Administration</u>	
Board of Trustees	49
Director's Office	220
Administration	170
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	439
<u>General Operating Costs</u>	
Rent	166
Communications	39
Supplies & Equipment	66
Miscellaneous	50
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	321
TOTAL 1981 Budget	3,000